

**TRUST DEED**

MTC 23786-D

Vol. m90 Page 13350

as Grantor, Mountain Title Company of Klamath County, as Trustee, and  
John D. Woody.

as *Beneficiary*

WITNESSETH.

**WITNESSETH:**  
*Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in Klamath.....County, Oregon, described as:*

Lot 1, in Block 13 of SPRAGUE RIVER VALLEY ACRES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Tax Account No: 3612 001B0 04600

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter appertaining, and the rents, issues and profits thereof and all things and profits thereto in anywise appertaining or in anywise belonging to the said John de la Roche and his heirs and assigns forever.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of THREE THOUSAND SEVEN HUNDRED AND NO/100\*\*\*\*\*

\*\*\*\*\*  
 note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if  
 not sooner paid, to be due and payable as per terms of note  
 \*\*\*\*\*

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note becomes due and payable. In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, then, at the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity thereof, shall become immediately due and payable.

To protect the security of this trust deed, grantor agrees:

2. To complete or restore promptly and in good and workmanlike manner any building or improvement which may be constructed, damaged or destroyed thereon and upon the premises.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the proper public office or offices, as well as the cost of all lien searches made by filing offices or searching agencies.

by filing officers searching agencies as the cost of all lien searches made by beneficiary.

To provide and continuously maintain insurance on the buildings now or hereafter erected on the said premises against loss or damage by fire and such other hazards as the beneficiary may from time to time require, in an amount not less than \$ vacant \_\_\_\_\_ from time to time require, in companies acceptable to the beneficiary, with loss payable to the beneficiary, written in the policy of insurance shall be delivered to the beneficiary as soon as insured; if the grantor for any reason to procure any such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter in force on said buildings, the beneficiary may procure the same at grantor's expense. Any policy of insurance effected under any fire or other insurance policy may be applied by the beneficiary to any other building or buildings owned by the beneficiary. Any amount of insurance received by the beneficiary under any policy of insurance may determine, or at its option secure hereby and in such order as beneficiary may think proper, may be released to grantor, the entire amount so collected, or not cure or waive any default or notice of default, hereunder.

5. To keep said premises free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said property before any part of such taxes, assessments and other charges become past due or delinquent and promptly, except those payable to beneficiary; should the grantor fail to make payment of any such taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by payment or by providing beneficiary with funds with which to make such payment, then, in any event, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in the note secured hereby, together with the obligations described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of the sums secured by this trust deed, without waiver of any rights arising from breach of the covenants hereof for such payments, with interest as aforesaid, the proper amount described, as well as the grantor, shall be bound to the extent that the grantor is bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable without notice, and the nonpayment thereof shall constitute a breach of the beneficiary, render all sums secured by this trust deed immediately due and payable and constitute a breach of this trust deed.

6. To pay all costs, fees and expenses of this trust including the cost of title search, as well as the other costs and expenses of the trustee incurred in connection with, or in consequence of, the performance of its duties.

7. To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee, and in any suit, action or proceeding in which the beneficiary or trustee may appear, including evidence of title, closure of this deed, to pay all costs and expenses, including attorney's fees mentioned in this paragraph, the attorney's fees; the deed by the trial court and in the event of an appeal from any judgment or order of the trial court, the beneficiary agrees to pay such sum as the appellate court shall adjudge reasonable.

*It is mutually agreed that the*

*It is mutually agreed that:*

8. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, if so elected, to require that all or any portion of the monies payable as compensation for such taking, which are in excess of the amount required to pay all reasonable attorney's fees and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees, incurred in such trial and appellate courts, necessarily paid or incurred by beneficiary in such suit, and the balance applied upon the indebtedness secured hereby; and grantor agrees to bear expense, to take such actions and execute such instruments as shall be necessary.

9. At any time and from time to time upon written request of beneficiary, payment of its fees and presentation of this deed and the note for endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may (a) consent to the making of a deed of reconveyance, and (b) execute and deliver such deed of reconveyance, and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereon; (d) reconvey, without warranty, all or any part of the property, the grantee in any reconveyance may be described as the "person or persons to be conclusively entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any services rendered shall be as set forth in the schedule attached hereto.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either by person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue or otherwise cause to be sued upon, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness, to the satisfaction of the beneficiary.

11. The entering upon and taking possession of said property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder as to the foregoing.

12. Upon default by grantor in payment of any indebtedness secured hereby or in default of any agreement hereunder, time being of the essence with respect to such payment and performance, the beneficiary may declare all sums secured hereby immediately due and payable, and may event the beneficiary at his election may proceed to foreclose this trust deed advertisement and direct the trustee to foreclose this trust deed by remedy, either at law or in equity, which the beneficiary may, at any time, the beneficiary elects to foreclose by advertisement and sale, the beneficiary may cause the trustee shall execute and cause to be recorded his written notice of default and his and his heirs and assigns shall described real property to satisfy the obligation secured hereby whereupon the trustee shall proceed to a public place of sale, give notice thereof as then required by law and proceed to foreclose.

13. After the trustee's counterclaim is closed, the trustee shall, at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753, may cure any default on the trust. The default consists of a failure to pay, when due, any sums secured by the trust. The default shall be cured by paying the entire amount due at the time of the cure other than sums secured by the trust that then be due had no default occurred. Any other default that is capable of being cured by the grantor or any other person so privileged by ORS 86.753, is an obligation or trust deed. In any event, the performance required under the trust deed shall be the same as if the cure had not occurred. In the event of a default, the person effecting the cure shall pay to the beneficiary the sums and expenses actually incurred in enforcing the obligation of the trust deed. 1987B-0000

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which said sale may be postponed as provided by law. The trustee may sell said property in whole or in separate parcels and shall sell the parcel or parcels at public auction to the highest bidder for its cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed and the title to the property sold, the property so sold, but without any covenant or warranty by law conveying the property shall be deemed to be in the deed of any matters of fact shall be conclusive proof of the truthfulness of the same.

15. When trustee sells pursuant to the power provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge for trustee's services, (2) to the obligation secured by the trust deed, (3) to all other secured claims subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or the beneficiary.

16. Beneficiary may from time to time appoint a successor or successors to act as trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all powers and duties conferred upon any trustee herein named or appointed hereunder. Extension, amendment and substitution shall be made by written instrument executed by beneficiary and the mortgagee. The mortgage records of the county or counties in which the property is situated shall be the controlling records.

17. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is so obligated to notify any party hereto of pending sale under any other deed or trust of any action or proceeding in which grantor, beneficiary or trustee shall be a party.

NOTE: The Trust Deed Act provides that the trustee hereunder must be either an attorney, who is an active member of the Oregon State Bar, a bank, trust company or savings and loan association authorized to do business under the laws of Oregon or the United States, a title insurance company authorized to insure title to real property of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent authorized to act as such under the laws of this state.

