

Vol. m90 Page 16785

**WITNESSETH:**

Lot 657 in Block 116 of MILLS ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Tax Account No: 3809 033DB 00200

now or hereafter appertaining, and the rents, issues and profits thereof and the proceeds of the sale of the same, together with all other sums of money which may be received by or for the grantee in connection with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of Forty five thousand and no/100's\*\*\*\* (45,000.00)\*\*\*\*\*

sum of Forty five thousand and no/100's\*\*\*\* (45,000.00)\*\*\*\*\* interest thereon according to the terms of a promissory

sum of \*\*Forty five thousand and no/100 s- 45,000.00/  
 \*\*\*\*\*Dollars, with interest thereon according to the terms of a promissory  
 note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if  
 November 13, 1990

not sooner paid, to be due and payable November 13, 1930, on which the final installment of said 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 dates expressed therein, or hereinafter expressed, shall become immediately due and payable.

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

1. To protect, preserve and maintain said property in good condition and repair; not to remove or demolish any building or improvement thereon; and to commit or permit any waste of said property.

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 pay when due all costs incurred therefor.

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

4. 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 \$ full amount written in letters of

and such other conditions as may be required by the insurance company, but not in excess of the full amount of the insurance written by the company acceptable to the beneficiary, with loss payable to, the beneficiary, as soon as insured policies of insurance shall be delivered to procure any such insurance and if the grantor shall die prior to the expiration of the term of the policy, the proceeds of the policy shall be paid to the beneficiary at least fifteen days prior to the expiration of the term of the policy and the proceeds of the policy shall be paid to the beneficiary in full at the expiration of the term of the policy. The amount of any policy of insurance now or hereafter placed on said property by the beneficiary may be procured the same as if the policy had been placed on the property by the grantor. The policy of insurance may be applied by beneficiary collected under any policy of insurance secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount as beneficiary may determine, or at option of beneficiary the entire amount as beneficiary may determine, may be released to grantor, such application or release shall not constitute a release of the grantor from any liability or obligation of the grantor, and the grantor shall be deemed to have given notice of default hereunder or invalidate any such release or waiver of liability to the beneficiary.

not due pursuant to such notice.

5. To keep said premises free from construction liens and to pay a  
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 deliver receipts therefor  
to beneficiary; should the grantor have to make payment of any taxes, assess-  
ments, insurance premiums or liens or other charges payable by grantor, either  
by direct payment or by providing beneficiary with funds with which  
make such payment, beneficiary may, at its option, make payment therefor  
and the amount so paid, with interest at the rate set forth in the note and  
hereby, together with the obligations described in paragraphs 6 and 7 of the  
trust deed, shall be added to and become part of the debt secured by the  
trust deed, without waiver of any rights arising from breach of any of the  
trust deed, shall be added to and become part of the debt secured by the  
covenants hereof and for such payments, with interest as aforesaid, the prom-  
iser hereinbefore described as well as the grantor, shall be bound to pay the  
same extant as they are bound for the payment of the obligation hereby  
described, and all such payments shall be immediately due and payable  
upon notice, and the nonpayment thereof shall, at the option of the beneficiary  
render all sums secured by this trust deed immediately due and payable and  
constitute a breach of this trust deed.

6. In the event any of the covenants of this trust including the covenants

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 enforcing this obligation and trustee's and attorney's fees actually incurred.

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 such action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of this deed, to pay all costs and expenses, and to pay the reasonable attorneys' fees of the beneficiary or trustee's attorney at law;

any suit for the foreclosure of this deed, to pay an "costs" including evidence of title and the beneficiary's or trustee's attorney's fees; amount of attorney's fees mentioned in this paragraph 7 in all cases shall be fixed by the trial court and in the event of an appeal from any judgment or decree of the trial court, grantor further agrees to pay such sum as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

It is mutually agreed that:

[illegible]

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 endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee (a) consent to the making of any map or plat of said property; (b) join

granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the above services shall be as set forth in the schedule attached hereto and shall not be less than \$5.

[illegible]

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 or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured by this mortgage, or in the performance of any agreement hereunder, time being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereunder immediately due and payable. In such an event the beneficiary or his attorney may proceed to foreclose this trust deed by either a judicial or non-judicial sale, or may direct the trustee to foreclose this trust deed by either a judicial or non-judicial sale, or may direct the trustee to pursue any other remedy, either at law or in equity, which the beneficiary may deem proper. In the event of a judicial sale, or a sale by agreement and sale, the beneficiary or the beneficiary's elects to foreclose, the cause to be recorded his written notice of default to the trustee and the trustee shall execute the necessary documents to effectuate the sale of the property and the trustee shall sell the said described real property to satisfy the obligation secured hereunder, whereupon the trustee shall file the time and place of said sale and record thereon as then required by law. \$548.86,725.

notice thereof as then required by ORS 86.735 to 86.795.

13. After the trust has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trust conducts a sale, the grantor or any other person so privileged by ORS 86.753, may cure the default or defaults. If the default or defaults may be cured by paying the sums secured by the trust debt, the time of the cure other than such portion as would be due had no default occurred. Any other default that is not cured by the time of the cure shall be deemed to be a default. If the default may be cured by tendering the performance of the obligation under the obligation or trust deed. In any case, in which the beneficiary shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided for in the deed.

14. Otherwise, the sale shall be held on the date and at the time a place designated in the notice of sale or the time to which said sale is to be postponed as provided by law. The trustee may sell said property either in one parcel or in separate parcels and shall sell the same at the time of sale to the highest bidder for cash or on credit in form as required by law convey said deliver to the purchaser and execute a deed in form as required by law. The trustee shall deliver to the purchaser a bill of sale and a bill of lading for the goods to be sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any purchase at the sale shall be for cash and the purchase at the sale.

of the truthfulness of the foregoing.

5. When trustee sells pursuant to the powers 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 fee to be determined by attorney, (2) to the obligation secured by the instrument, (3) to all other debts having recorded liens against the property in the order of their priority and (4) to the balance of the proceeds to the grantor or his successor in interest entitled to the surplus, if any, to the grantor or to his successor in interest entitled to the surplus, if any.

6. Trustee may, at any time, appoint a successor or successors to the office of trustee.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed under or upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and interests of the trustee, the latter shall be named in a written instrument executed by beneficiary, and substitution shall be made of record in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

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

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 licensed under ORS 696.505 to 696.585.

The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto and that he will warrant and forever defend the same against all persons whomsoever.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are: (a) primarily for grantor's personal, family or household purposes (see Important Notice below).

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a beneficiary herein. In construing this deed and whenever the context so requires, the masculine gender includes the feminine and the neuter, and the singular number includes the plural.

IN WITNESS WHEREOF, said grantor has hereunto set his hand the day and year first above written.

\* IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor as such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose use Stevens-Ness Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

(If the signer of the above is a corporation, use the form of acknowledgement opposite.)

STATE OF OREGON

County of Klamath

This instrument was acknowledged before me on August 16, 1990, by Clarence R. Bell and Nola M. Bell



ANGELA ZIEG  
NOTARY PUBLIC - OREGON  
COMMISSION NO. 224515  
MY COMMISSION EXPIRES DEC. 14, 1993

Notary Public for Oregon

STATE OF OREGON

County of \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_

as \_\_\_\_\_ of \_\_\_\_\_

Notary Public for Oregon

My commission expires: \_\_\_\_\_

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid. TO: \_\_\_\_\_ Trustee

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by said trust deed have been fully paid and satisfied. You hereby are directed, on payment to you of any sums owing to you under the terms of said trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by said trust deed (which are delivered to you herewith together with said trust deed), and to reconvey, without warranty, to the parties designated by the terms of said trust deed the estate now held by you under the same. Mail reconveyance and documents to: \_\_\_\_\_

DATED: \_\_\_\_\_ Beneficiary

Do not lose or destroy this Trust Deed OR THE NOTE which it secures. Both must be delivered to the trustee for cancellation before reconveyance will be made.

TRUST DEED  
FOR 991 (FORM No. 681) OF 1977  
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

Mr. Clarence R. Bell  
Nola M. Bell  
Grantor  
South Valley State Bank  
801 Main Street  
Beneficiary

AFTER RECORDING RETURN TO  
South Valley State Bank  
801 Main St.  
Klamath Falls, Or 97601

SPACE RESERVED  
FOR  
RECORDER'S USE

Fee \$13.00

STATE OF OREGON, Klamath  
County of Klamath

I certify that the within instrument was received for record on the 21st day of Aug., 1990, at 2:17 o'clock PM., and recorded in book/reel/volume No. M90 on page 16785 or as fee/file/instrument/microfilm/reception No. 19159, Record of Mortgages of said County. Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk  
NAME  
By Carlene Miller Deputy