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19627

A-I TRUST DEED

Vol. m90

Page 17582

CLATSOP COUNTY

THIS TRUST DEED, made this

30th

day of

August

1990

between

as Grantor, MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY

JOHN L. LUNDEBERG
as Beneficiary,

as Trustee, and

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in Klamath

County, Oregon, described as:

SEE ATTACHED LEGAL DESCRIPTION OF WHICH IS MADE A PART HEREOF BY THIS REFERENCE.

THIS TRUST DEED IS AN ALL-INCLUSIVE TRUST DEED AND IS BEING RECORDED SECOND AND JUNIOR TO A FIRST TRUST DEED IN FAVOR OF THE CITY OF KLAMATH FALLS, AN OREGON MUNICIPAL CORPORATION.

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

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 fixtures now or hereafter attached to or used 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 FIFTEEN THOUSAND FIVE 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 per terms of Note 19.

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 herein, 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; not 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.

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 the beneficiary.

4. To provide and continuously maintain insurance on the buildings and such other hazards as the beneficiary may require, in companies acceptable to the beneficiary, with loss payable to the beneficiary, in policies of insurance shall be delivered to the beneficiary as soon as insured; all if the grantor shall fail 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 placed on said buildings, collected under any life or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of the beneficiary the entire amount so collected, not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

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 deliver receipts therefor to the beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment thereof 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 debt secured by this trust deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments, with interest as aforesaid, of the same extent that they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable with interest, and the nonpayment thereof shall, at the option of the beneficiary, 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 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 suit, action or proceeding in which the beneficiary or trustee may appear, including but not limited to the foreclosure of this deed, to pay all costs and expenses, including attorney's fees and the beneficiary's or trustee's attorney's fees; the 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:

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 it so elects, to require that all or any portion of the monies payable to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary, paid or applied by it first upon any reasonable costs and expenses and attorney's fees incurred in such proceedings, and the balance actually paid or incurred by beneficiary hereby; and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

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 any map or plat of said property; (b) join in

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 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 services mentioned in this paragraph shall be not less than \$5.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in 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 and profits, 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 secured hereby, and in such order as beneficiary may determine.

11. The entering upon and taking possession of said property, the insurance policies or compensations or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in its 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 hereby immediately due and payable. In such an event the beneficiary at his election may proceed to foreclose this trust deed advertisement and sale, or may direct the trustee to foreclose this trust deed by remedy, either at law or in equity, which the beneficiary may have. In the event the trustee elects to foreclose by advertisement and sale, the beneficiary or the trustee shall execute and cause to be recorded his written notice of default secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

13. After the trustee has commenced foreclosure by advertisement and sale, and 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 sums secured by the trust deed, the default may be cured by paying, when due, the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure 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 by law.

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 sale may in one parcel or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold; but without any covenant or warranty, express or implied, the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

15. 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 charge by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens 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 to his successor in interest entitled to such surplus.

16. Beneficiary may from time to time appoint a successor or successors to any 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 title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded 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 not 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 696.565.

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 except Trust Deed recorded December 10, 1986, in Volume M86, page 22687, Microfilm Records of Klamath County, Oregon, in favor of The City of Klamath Falls, an Oregon Municipal Corporation which shall remain the Beneficiary name herein responsibility and Beneficiary shall hold Grants named herein harmless therefrom 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),
 (b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes.

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.

John N. Brooks
 JOHN N. BROOKS
Lori Brooks
 LORI BROOKS

STATE OF OREGON, County of Klamath) ss.
 This instrument was acknowledged before me on August 31, 1990,
 by JOHN N. BROOKS and LORI BROOKS
 This instrument was acknowledged before me on _____, 19____,
 by _____
 as _____
 of _____

Darlene J. Tucker
 Notary Public for Oregon
 My commission expires 6-16-92

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: _____, 19____

 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.
 THIS INSTRUMENT IS TO BE FILED IN THE PUBLIC RECORDS OF THE COUNTY OF KLAMATH, OREGON, AND IS BEING RECORDED

TRUST DEED

(FORM No. 881)
 STEVENS-NESS LAW, PUBL. CO., PORTLAND, ORE.

JOHN N. BROOKS & LORI BROOKS
 5302 Mazama Dr.
 Klamath Falls, OR 97603
 Grantor
 JOHN L. LUNDBERG
 P.O. Box 7448
 Klamath Falls, OR 97602
 Beneficiary

AFTER RECORDING RETURN TO
 MOUNTAIN TITLE COMPANY OF
 KLAMATH COUNTY

STATE OF OREGON,
 County of _____) ss.

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/feet/volume No. _____ on page _____ or as fee/file/instrument/microfilm/reception No. _____, Record of Mortgages of said County. Witness my hand and seal of County affixed.

NAME _____ TITLE _____
 By _____ Deputy

17584

MTC NO: 24293-K

EXHIBIT "A"
LEGAL DESCRIPTION

All that part of Lots 789 and 790 of Block 105 of MILLS ADDITION TO THE CITY OF KLAMATH FALLS, OREGON, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, described as follows:

Beginning at a point 33 1/2 feet East of the Southwest corner of Lot 790, Block 105, MILLS ADDITION TO THE CITY OF KLAMATH FALLS, OREGON, thence Easterly along the Southerly line of Lots 790 and 789, said Block 105, 33 feet, 3 inches; thence Northerly and parallel to East Main Street, 120 feet; thence Westerly along the Northerly line of said Lots 789 and 790, 33 feet, 3 inches; thence Southerly 120 feet to the place of beginning.

Tax Account No.: 3809 033DB 05800

This Trust Deed is an All Inclusive Trust Deed and is second and subordinate to the Trust Deed now of record dated December 8, 1986, and recorded December 10, 1986, in Volume M86, page 22687, Microfilm Records of Klamath County, Oregon, in favor of The City of Klamath Falls, an Oregon Municipal Corporation, as Beneficiary, which secures the payment of a Note therein mentioned.

John L. Lundberg, Geneficiary herein agrees to pay, when due, all payments due upon the said Promissory Note in favor of The City of Klamath Falls, an Oregon Municipal Corporation, and will save Grantors herein, John N. Brooks and Lori Brooks, husband and wife, harmless therefrom.

Should the said Beneficiary herein default in making any payments due upon said prior Note and Trust Deed, Grantor herein may make said delinquent payments and any sums so paid by Grantor herein shall then be credited upon the sums next to become due upon the Note secured by this Trust Deed.

The Beneficiary herein shall pay the real property taxes each year, and upon presentation of the paid receipt to the escrow collection agent, Mountain Title Company of Klamath County, the paid taxes shall be added back to the balance of this Trust Deed and Note secured therein. The real property taxes shall be added back beginning with the 1990-1991 fiscal year.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 31st day
of Aug. A.D. 19 90 at 3:24 o'clock P.M., and duly recorded in Vol. M90
of Mortgages on Page 17582

FEE \$18.00

Evelyn Blehn - County Clerk

By Pauline Munksdare