

21344

TRUST DEED

Vol. m90 Page 20572

THIS TRUST DEED, made this 8th day of October, 1990, between PAUL F. SCHLICHTING

as Grantor, KLANATH COUNTY TITLE COMPANY, as Trustee, and NEVA EGGSMAN, Personal Representative of the Estate of Wilbur Eggsman, Deceased

as Beneficiary.

WITNESSETH:

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

As set forth in Exhibit "A" attached hereto

SUBJECT TO a Mortgage, including the terms and provisions thereof, given by Mable S. Eggsman to U.S. National Bank of Oregon, dated November 18, 1985 and recorded November 29, 1985 in M-85-00416, 19568, records of Klamath County, Oregon, to secure the payment of \$6,415.07, which Grantor herein expressly assumes and agrees to pay according to its terms.

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 such agreement of grantor herein contained and payment of the sum of TWENTY FIVE THOUSAND DOLLARS AND NO/100 (\$25,000.00) 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 not earlier paid, to be due and payable in full five years from the date hereof.

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.

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

1. To protect, preserve and maintain said property in good condition and repair, and to remove or demolish any building or improvement thereon, and to erect or permit any other building or improvement thereon.

2. To complete or restore promptly and in good and workmanlike manner any building or improvement which may be destroyed, damaged or destroyed by fire, and pay all costs incurred therefor.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary or requestor, to join in making such financial statements pursuant to the Uniform Commercial Code in the beneficiary may require and to pay for filing same in the proper public office or offices, as well as the cost of all other searches made by third parties or searching agencies as may be deemed advisable by the beneficiary.

4. To provide and continuously maintain insurance on the buildings and on fixtures 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 the full insurable value, written in continuous acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary at once as issued; if the grantor shall for any reason to procure any such insurance and to deliver said policy to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The amount of any such fire or other insurance policy may be applied by the beneficiary to the indebtedness secured hereby and in such order as the beneficiary may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be returned to grantor. Such application of proceeds shall not constitute a waiver of notice of default hereunder or invalidate any action hereunder in such notice.

5. To keep and preserve 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 beneficiary; should the grantor fail to make payment of any taxes, assessments, levies 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, together with the obligation described in paragraph 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 hereunder and for such payments, with interest as provided, the property hereunder described, shall be bound and shall be sold to satisfy the same; it is further agreed that the payment of this obligation herein described, and all such payments shall be immediately due and payable without notice, and the requirement thereof shall, at the option of the beneficiary, render all taxes assessed 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 insurance 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 interest rights or powers of beneficiary or trustee, and in any suit, action or proceeding in which the beneficiary or trustee may appear, including one brought for the foreclosure of this deed, to pay all costs and expenses, including expenses of title and the beneficiary's or trustee's attorney's fees; the amount of a borrower's fees mentioned in this paragraph 7 in all cases shall be paid by the trust 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 on condemnation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by the grantor in such proceedings, shall be paid to beneficiary and applied to: (a) first upon any outstanding costs and expenses and attorney's fees, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby, and (b) secondly, as to the excess, to the beneficiary or trustee, 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 compensation of this deed and the rate for enforcement (in case of full reimbursement, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may: (a) convey 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 subdivision or other agreement affecting this deed or the lien or charge thereon; (d) reconvey, without warranty, all or any part of the property. The grant 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 or any part thereof, in its own name sue or otherwise collect the rents, issues 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 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 hereby or in his performance of any agreement hereunder, time being of the essence with respect to 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 in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other right or remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the trustee shall execute and cause to be recorded his written notice of default and his election to sell the said described real property to satisfy the obligation 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 the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying 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 property either 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 as 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 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 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: This 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, the United States title insurance company authorized to insure title to real property in 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.

AM 9 53

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),
(b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes.

This deed applies to, issues 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 on each word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation Z by making required disclosures; for this purpose use Stevens-Ness Form No. 1310, or equivalent. If compliance with the Act is not required, disregard this notice.

(1) If the signer of the above is a corporation, use the front of acknowledgment opposite to.

STATE OF OREGON,

County of Clatsop

This instrument was acknowledged before me on

October 30, 1990 by

Paul F. Schlichting

Paul F. Schlichting
Notary Public for Oregon
My commission expires 12-19-92

STATE OF OREGON,

County of _____

This instrument was acknowledged before me on

19____, by _____

as _____

of _____

Notary Public for Oregon

My commission expires: _____

(SEAL)

REQUEST FOR FULL RECONVEYANCE

To be used only when all 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 _____

DATE: _____, 19____

Beneficiary

Be not less or greater than the Trust Deed OR THE NOTE which it secures. Both must be delivered to the trustee for cancellation before reconveyance will be made.

TRUST DEED

(FORM No. 811-1)

STEVENS-NESS LAW FIRM CO. PORTLAND, ORE.

Grantor

Beneficiary

AFTER RECORDING RETURN TO

RCTC

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,

County of _____

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/reel/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

Township 34 South, Range 8 East of the Willamette Meridian

Section 23: E½NW¼, E½NW¼

Excepting therefrom a tract of land situated in the NE¼NW¼ thereof, more particularly described as follows: Beginning at the Brass Cap marking the one-quarter corner common to Sections 14 and 23; thence South 89°06'00" West 1089.14 feet along the North line of Section 23 to a 5/8" iron rod; thence South 00°01'10" West, 600.00 feet parallel with the North-South centerline of Section 23 to a 5/8" iron rod; thence North 89°06'00" East 1089.14 feet parallel with the North line of Section 23, to a 5/8" iron rod on the North-South Centerline of Section 23; thence North 00°01'10" East 600.00 feet, along the North-South centerline of Section 23 to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co. the 11th day
 of Oct. A.D. 19 90 at 9:53 o'clock A.M., and duly recorded in Vol. M90,
 of Mortgages on Page 20572.

Evelyn Biehn - County Clerk

By Quincy Mulender

FEE \$16.00