

## TRUST DEED

Vol. m9 Page 2544 

JANUARY 1991, between

as Trustee, and

**WITNESSETH:**

LOTS 3 AND 4 OF SECTION 29, TOWNSHIP 35S, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN,  
KLAMATH COUNTY, OREGON.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of ----- FIFTEEN THOUSAND AND NO/100-----

The date of maturity of the debt secured by this instrument is the date, state or country, when the debt 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.

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 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

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act done pursuant to such notice.

5. To keep said trust 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 payments of any such taxes, assessments, insurance premiums, liens or charges payable by grantor, either directly or indirectly, by providing beneficiary with funds with which to pay direct payment of such beneficiary may, at its option, make payment thereof making good the amount so paid, with interest at the rate set forth in the note secured hereby, together with the obligations described in paragraph 4 hereof, shall be added to and become a part of the debt secured by the trust deed, without waiving of such rights arising from breach of any of the covenants hereunder and for such payments, with interest as aforesaid, the provisions hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligations payable without notice, and all such payments shall be made immediately after receipt of notice, and the nonpayment of any such payments shall constitute a breach of the trust deed immediately due and payable and render all sums payable by 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.

lees actually involved in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee; and in any action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of the mortgage, to pay all costs and expenses, including attorney's fees, incurred by the beneficiary or trustee; it is further decreed that the amount of attorney's fees mentioned in this paragraph in any case shall be fixed by the trial court and in the event of an appeal from any judgment entered by the trial court, the appellant agrees to pay such sum as the appellate court may determine to be reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

***It is mutually agreed that:***

**It is mutually agreed** that in the event that all or any portion or all of said property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right to elect, to require that all or any portion of the monies payable as compensation for such taking, which are in excess of the amount necessarily paid or to pay all reasonable costs, expenses and proceedings, shall be paid to beneficiary and incurred by him first upon any reasonable 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 thereof shall be paid to beneficiary indebtedness secured; hereunto 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.

Upon the default of the 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 the premises hereby mortgaged, and collect the rents, issues and profits thereof, in its own name and sue and be sued, defend, compromise and settle, and pay the taxes and unpaid, and apply the same, issues and profits, to the satisfaction of the indebtedness hereby secured, and the 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 failure to perform any agreement hereunder, time being of the essence with respect to such payment and/or performance, the beneficiary may, at its election, cause all sums secured hereby immediately due and payable, in full, to be paid to the trustee, and the trustee may, at its election, cause the trust deed to be foreclosed. The trustee may, at its election, cause the trust deed to be foreclosed on the property in equity as a mortgage or direct the trustee to pursue any other right or remedy available in law or in equity, which the beneficiary may have. In the event of advertisement and sale, the beneficiary may, at its election, cause the trustee to elect to foreclose in equity, which the beneficiary may have. In the event of advertisement and sale, the beneficiary may, at its election, cause the trustee shall execute and cause to be reconveyed the property to satisfy the obligation and his election to sell the said defaulting trustee shall fix the time and place of sale, give notice of such sale and the trustee shall then be required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

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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 may be postponed as provided by law. The trustee may sell said property, or any part thereof, in one parcel or in separate parcels, and the price of each parcel or parcels in 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 recitals in the deed of any material fact shall be conclusive proof of the truthfulness of the deed of any material fact, excluding the trustee, but including the trustee's secretary, may purchase at the sale.

15. When trustee sells pursuant to the power provided herein, trustee shall apply the proceeds of sale first to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee having, (2) the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the 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 of the trust property, the latter shall be vested with all the powers and duties conferred upon any trustee herein and shall be substituted for the trustee so appointed hereunder. Each such appointment and substitution when made by written instrument executed by beneficiary and 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 obligated to notify any party hereto of pending sale under any other deed in 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.

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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.

Gerry W. Wolff  
Cathy K. Wolff

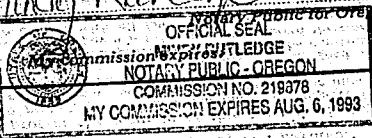
(If the signer of the above is a corporation, use the form of acknowledgement opposite.)

STATE OF OREGON, )  
County of Klamath ) ss.

This instrument was acknowledged before me on  
JANUARY 30, 1991, by  
GERRY W. WOLFF  
CATHY K. WOLFF

STATE OF OREGON, )  
County of ) ss.

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

(SEAL)  OFFICIAL SEAL  
NOTARY PUBLIC - OREGON  
COMMISSION NO. 218878  
MY COMMISSION EXPIRES AUG. 6, 1993

Notary Public for Oregon (SEAL)  
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: \_\_\_\_\_, 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.

**TRUST DEED**  
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.  
GERRY AND CATHY WOLFF  
Grantor  
SOUTH VALLEY STATE BANK  
Beneficiary  
AFTER RECORDING RETURN TO  
SOUTH VALLEY STATE BANK  
801 MAIN STREET  
KLAMATH FALLS OR 97601

SPACE RESERVED  
FOR  
RECORDER'S USE  
Fee \$13.00

STATE OF OREGON, )  
County of Klamath ) ss.  
I certify that the within instrument was received for record on the 12th day of Feb., 1991 at 10:39 o'clock AM., and recorded in book/reel/volume No. M91 on page 2544 or as fee/file/instrument/microfilm/reception No. 25757. Record of Mortgages of said County. Witness my hand and seal of County affixed.  
Evelyn Biehn, County Clerk  
NAME TITLE  
By \_\_\_\_\_ Deputy