

33812

WITNESSETH:

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:

SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE

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 NINETY FIVE THOUSAND AND NO / 100ths Dollars, with interest thereon according to the terms of a promissory note of principal and interest hereof, it

sum of ..... 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 sooner paid, to be due and payable ..... per terms of note ..... , 19.....

not later than the date stated above, on which the final installment of said note is due, the debt secured by this instrument is sold, agreed to be sold, assigned, transferred, conveyed, or otherwise disposed of, with interest thereon, to the beneficiary named herein.

note of even date herewith, payable to beneficiary or order and maturing on \_\_\_\_\_, 19\_\_\_\_, not sooner paid, to be due and payable on terms of note \_\_\_\_\_, on which the final installment of said note is due, and the maturity of the debt secured by this instrument is the date, stated above, 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. 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 otherwise, shall become immediately due and payable.

To protect the security of this trust deed, grantor agrees to maintain said property in good condition.

**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 improve 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; the beneficiary may require and to pay for filing same in the public office of the beneficiary may require and to pay for filing same in the public office of 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 and in such other hazards as the beneficiary may from time to time require in an amount not less than the full insurable value of the buildings to the latter; all companies acceptable to the beneficiary, with loss payable to the latter; and insurance shall be delivered to the beneficiary as soon as insured; and the grantor shall fail for any reason to procure any such insurance and to deliver said policies to the beneficiary now or hereafter placed on said buildings, the grantor shall be liable for the same at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the beneficiary may cure the same at grantor's expense. The amount collected under any life or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such amount so collected, or may be paid in cash or at option of beneficiary the entire amount or release shall 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, the grantor hereby agrees that any and all such charges become due and delinquent and promptly deliver to the trustee, for the benefit of the beneficiary, the sum of any taxes, assessments, premiums, liens or other charges payable by grantor, either in cash or by providing beneficiary with, in its option, make payment thereof, make such payment, beneficiary may, at the rate set forth in the note secured by the deed, borrow the sum of the amount of such taxes, assessments and the amount so paid, with the obligations described in paragraphs 6 and 7 of this hereby, together with and become a part of the debt secured by this trust deed, shall be added to and become a part of the debt of any of the trust deed, without waiver of any rights arising from breach of any of the provisions hereof and for such payments, with grantor, shall be bound to the beneficiary hereinafter described, as well as the payment of the obligation herein same extent that they are bound to pay immediately due and payable as described, and all such payments shall be immediately due and payable and render all sums secured by this trust deed immediately due and payable and render all sums secured by 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, and defend any action or proceeding purporting to

[illegible]

It is mutually agreed that:

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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 in compensation 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 grantor in such proceedings, shall be paid to beneficiary and shall be applied by grantor in such reasonable costs and expenses and attorney's fees, incurred by it first upon appellate courts, necessarily paid or incurred by beneficiary in the trial and appellate proceedings, and the balance applied upon the beneficiary's share of the proceeds, and the balance applied upon the taking such actions as may be necessary and proper to carry out the purposes of this agreement, and grantor agrees, at its own expense, to obtain such actions and execute such instruments as shall be necessary to carry out the purposes of this agreement, 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) convey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "persons or persons granted in, to, or for the use of" the property, and the recitals thereof shall be conclusively proof of the truthfulness thereof. Trustee's fees lost on all services mentioned in this paragraph shall be not 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 tire 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 such payment and/or performance, the beneficiary may declare all sums secured hereunder immediately due and payable. The trust deed beneficiary at election may proceed to foreclose the trust deed by advertisement or direct the trustee to foreclose the trust deed in equity as a mortgagee or may direct the trustee to pursue any other right or remedy 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 debt and real property to satisfy the obligation secured hereby whereupon the trustee shall sell the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed

ORS 86.735 to 86.795.

[illegible]

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale. The trustee may sell said property either in one parcel or in separate parcels and shall sell the parcels in the order and to the highest bidder for cash, payable in advance of the sale. The trustee shall deliver to the purchaser in full, without any covenant or warranty, express or implied, the receipted title to the property so sold, together with all documents pertaining to the property so sold, in the deed of any matters of fact shall be conclusively presumed in favor of the trustee, but including no responsibility thereof. Any person, except the trustee, who bids at the sale, shall be deemed to have accepted the terms of the sale.

[illegible][illegible]

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 690.555 to 690.585.

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 except None

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 the purchase of real property, the improvement of real property, or the payment of the principal of a loan secured by a mortgage on real property.~~

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-Mess Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

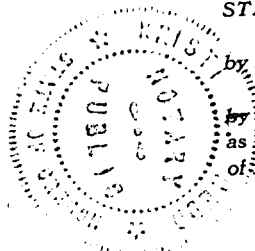
FRANCIS LEE MC DONALD

AMMA LAQUATA MC DONALD

STATE OF OREGON, County of Klamath ) ss. August 27, 1991.

This instrument was acknowledged before me on August 27, 1991  
by FRANCIS LEE MC DONALD and AMMA LAQUATA MC DONALD

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



Kristine L. Redd  
Notary Public for Oregon  
My commission expires 11/16/91

#### 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 \_\_\_\_\_, 19\_\_\_\_.

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

(FORM No. 881)

STEVENS-MESS LAW PUB. CO., PORTLAND, ORE

FRANCIS LEE MC DONALD and AMMA LAQUATA MC DONALD

P.O. BOX 117  
CHILOQUIN, OR 97624

Grantor  
WARREN LOUGH and LA DEAN LOUGH  
HC 30 BOX 133  
CHILOQUIN, OR 97624

Beneficiary

AFTER RECORDING RETURN TO  
MOUNTAIN TITLE COMPANY  
OF KLAMATH COUNTY

SPACE RESERVED  
FOR  
RECORDER'S USE

STATE OF OREGON, } ss.  
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