



between

MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY

STELLA R. DEHLINGER

WITNESSETH:

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 and conveys to trustee in trust, with power of sale, the property

PARCEL 1: Lot 7 in Block 1 of FIRST ADDITION TO ALTAMONT ACRES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

PARCEL 2: Lots 14 and 15, Block 10 of TRACT 1108, SEVENTH ADDITION TO SUNSET VILLAGE, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

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
TEN THOUSAND AND NO/100

sum of TEN THOUSAND AND NO/100 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 March 1, 19 92. This instrument is the date, stated above, on which the final installment of said note

not sooner paid, to be due and payable March 1, 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

maner any unusual, 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 Code of Sales Act as the beneficiary may require and to pay for filing same in the local public office or offices, as well as the cost of all lien searches made by the filers 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 and to the extent of not less than \$ full insurable value, written in the policy or policies, by the beneficiary or by any company acceptable to the beneficiary, with loss payable to the beneficiary, and the beneficiary shall be obligated to procure such insurance and to keep the same in force, and if the grantor shall fail for any reason to procure such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of the term of the insurance now or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The beneficiary shall be obligated to collect and receive all amounts due and payable on such policy or policies collected under any fire or other insurance policy maintained by beneficiary, and the beneficiary may, at its option, release to the beneficiary the entire amount so collected, or may determine, or at its option release to grantor. Such application or release shall not constitute a release of the grantor from its obligation to maintain such insurance, nor shall it constitute a release of the grantor from its obligation to pay any part thereof to the beneficiary, and the beneficiary shall not be deemed to have waived any default or notice of default hereunder or invalidate any claim for recovery hereunder, and the beneficiary shall not be deemed to have acted 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 the date of such rates, assessments and other charges become past due, the grantor and promptly deliver receipts therefor to 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 and the amount so paid, with interest at the rate set forth in note secured 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 and without rights arising from breach of any of the covenants hereof and described, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent as they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable in full, out of 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. 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 apply for and defend any action or proceeding purporting to affect the rights or powers of beneficiary or trustee; and in any such action or proceeding in which the beneficiary or trustee may appear, including action or proceeding in which the beneficiary or trustee may pay all costs and expenses, in any suit for the foreclosure of the mortgage, to pay the attorney's fees; the costs of evidence and the costs of defense of the beneficiary or trustee, including evidence of the attorney's fees mentioned in this paragraph 7, in all cases fixed by the trial court and in the event of an appeal, the judgment or order of the trial court and grantor further agree to pay such sum as the appellate court shall deem 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 so elected, to receive all or any portion of the monies payable as 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 applied by it first upon such proceedings, shall be paid to beneficiary and applied by it first upon such proceedings, and expenses and attorney's fees, applied by it first upon such proceedings, necessarily paid or incurred by beneficiary in the proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to execute all actions and execute such instruments as may be necessary in obtaining such compensation, and to execute such instruments as may be necessary in obtaining such compensation, and to execute such instruments as may be necessary in obtaining such compensation.

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 acts 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 personally, by agent or by a receiver to be appointed by the court, without regard to the adequacy of any security for the payment of the debt secured hereby, take and take possession of said property or any part thereof, in its own name sue or otherwise enforce the same, and collect the same, with interest, costs and expenses, and apply the same to the issues and profits, including those past due on account of the debt, and to the 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 such payment and/or performance, the beneficiary may declare this trust to be in default and hereby immediately due and payable. In such an event, the beneficiary at his election may proceed to foreclose on this trust deed by equity as a mortgage or direct the trustee to pursue any other right or advertisement and sale, or mortgage, which the beneficiary may have. In the event of a remedy, either at law or in equity, which the beneficiary may have, the beneficiary elects to foreclose by advertisement and sale, the beneficiary hereby authorizes the trustee shall execute and cause to be recorded in the public office of delinquency and his election to sell the said delinquent property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice of such sale and cause the same to be sold in conformity with the procedure 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 the foreclosure by advertisement and sale, and at any time prior to the 5 day period before the date the trustee conducts the sale, the grantor may cure the default by paying to the trustee the amount of the sale, the amount of the default, and the costs of the sale. If the default consists of a failure to pay, when due, any of the payments provided for in the deed, the default may be cured by the trustee tendering to the grantor the entire amount due at the time of the cure other than the default that is capable of being cured by the grantor. If the default is not then due had no default occurred. Any amount of performance required under the deed that is not then due had no default occurred. In addition to curing the default, the grantor shall be obligated to pay to the trustee the amount of the default, the obligation or trust deed. If the grantor fails to cure the default, the trustee shall be obligated to incur the cure shall pay to the beneficiary all costs of the default, the person or persons who incur the obligation of the trustee, and the expenses of the trustee in enforcing the obligation of the trustee, 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 may be postponed as provided by law. The trustee may sell said property in one or more parcels and in separate parcels and shall sell the same at public auction to the highest bidder for cash, payment to be made at the time of sale. Trustee shall deliver to the purchaser a deed 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

15. We hereby authorize the grantor to sell pursuant to the powers provided herein, trust deed as to all the proceeds of sale to payment of (1) the expenses of sale, (2) the compensation of the trustee and a reasonable charge by him or her for his or her services, (3) the cost of title insurance to all persons having recorded liens subsequent to the date of recording of the trust deed, (4) the interest of the grantor or to his successor in interest entitled to such surplus, if any, to the grantor or to his successor in interest entitled to such

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 herein 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 public records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of a 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 property of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 966.025 to 966.030.

