

Vol. m91 Page 22517

**WITNESSETH:**

Lot 9, Block 4, TRACT 1046, ROUND LAKE ESTATES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

**FOR THE PURPOSE OF SECURING PERFORMANCE** of each agreement of grantor herein contained and payment of the  
**\*\*FIVE THOUSAND FIVE HUNDRED AND NO / 100ths\*\*\*\***

sum of \*\*FIVE THOUSAND FIVE HUNDRED AND NO / 100ths 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 said note is to be due and payable per terms of note, 19  , with the final installment of said note

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 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 an amount not less than \$ not applicable written in figures acceptable to the beneficiary, with loss payable to the latter; and policies of insurance shall be delivered to the beneficiary not applicable; and if the grantor shall fail for any reason to provide such insurance, he shall deliver said policies to the beneficiary not applicable 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 insurance collected under any fire or other insurance policy may be applied by the beneficiary upon any indebtedness secured hereby and any balance of such beneficiary may determine, or at option may be paid to grantor. Such application or release shall not be binding unless the beneficiary is notified in writing of such application or release within ninety days of the date of such application or release. If the beneficiary does not do so, he will be deemed to have waived any default or notice of default hereunder or to invalidate any such application or release. This agreement shall not be construed to create any lien or to pay all or any part of the indebtedness secured hereby.

not cure or waive any breach of the covenants hereunder, and the grantor shall not be deemed to have 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 beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, or any other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payment, the beneficiary may, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in the 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 obligations 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, the property hereinbefore described, and the interest thereon, shall be bound to 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 without notice, and the nonpayment thereof shall, at the option of the beneficiary, render the 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.

[illegible]

*It is mutually agreed that:*

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, the beneficiary shall have the right, if it so elects, to receive all or any portion of the monies payable therefor, in full compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees paid to beneficiary and incurred by grantor in such proceedings, and the balance applied up to the amount of the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied up to the amount of the costs and expenses incurred by grantor in taking such actions secured hereby; and grantor agrees, if and when the expense of such actions and execution of such instruments shall be necessary in obtaining such compensation, to 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, the beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by the court, without regard to the adequacy of any security for payment of the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue or otherwise enforce the same, and collect the same, and apply the same, and the proceeds thereof, to the payment of the principal and interest on the indebtedness hereby secured, and to the payment of the costs and expenses of collection, including reasonable attorney's fees and costs of suit, and to the payment of the principal and interest on the indebtedness secured hereby, and in such order as the 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 a default by the grantor and may immediately due and payable. In such an event the beneficiary at his election may proceed to foreclose this trust deed by in equity as a mortgage or direct the trustee to pursue any other right or advertisement and sale, or may direct the trustee to pursue any other right or remedy, either in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary the trustee shall execute and cause to be recorded a notice of sale of default and his election to sell the said property to satisfy the obligation secured hereby, and the trustee shall fix the time and place of sale, give notice of such sale as then required by law and proceed to foreclose this trust deed in the manner provided in OURS 86.735 to 86.795. Enclosure by advertisement and

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days after the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.735, may cure the default or delinquency if the default consists of a failure to pay, when due, the amount due under the trust deed; the default may be cured by paying the sum(s) secured by the trust deed, plus interest thereon as provided in the original account due at the time of the cure other than such portion as would have been paid had the default occurred. Any other default which is capable of being cured may be cured by tendering the sum(s) required under the obligation or trust deed. In any case, in addition to curing the default or default(s), the person or persons who 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 for in the deed.

14. Otherwise, the sale shall be held on the date and at the time and place designated by the notice of sale or the time to which said sale may be adjourned as provided by law. The trustee may sell said property either in one parcel or in separate parcels and shall sell the same at public auction to the highest bidder at the time specified in the notice of sale. Trustee shall deliver possession of the land sold to the purchaser at the time of sale in its deed in form as required by law conveying the same without warranty, express or implied, and without recourse. No proof shall be required of the truthfulness of the deed of any matters of fact alleged by the trustee, but including the truthfulness thereof the trustee, by selling the same, shall be deemed to warrant the title being sold.

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) 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, in 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 the death, disability, resignation or removal of the successor under, the latter shall be vested with all title, powers and duties of the trustee. The power of appointment shall be exercisable by appointment upon any trustee herein named or appointed hereunder. The appointment and substitution shall be made by written instrument duly executed and recorded by beneficiary, and when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment.

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 696.585.