

42912

**TRUST DEED**

as Grantor, Mountain Title Company of Klamath County, as Trustee, and  
Patricia June Bowen

**as Beneficiary.**

WITNESSETH:

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

Lot 5 in Block 12 of TRACT NO. 1079, SIXTH 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 sum of Eleven Thousand Three Hundred Forty Dollars and no/100 Dollars, if interest, according to the terms of a promissory

sum of Eleven Thousand Three Hundred Forty Dollars 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 per terms of note, 1919. This instrument is the date, stated above, on which 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:

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.

manier any such, and pay when due all costs incurred therefor. destroyed thereon, and 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 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 \$ full insurable value, written in accordance with the policy or policies of insurance acceptable to the beneficiary, with loss payable to the latter, and the policies of insurance shall be delivered to the beneficiary; provided, that if the grantor shall fail for the beneficiary at least fifteen days prior to the expiration of the policy of insurance now or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The amount of the insurance shall be paid to the beneficiary in such order as beneficiary may determine, or at option of the beneficiary the entire amount so collected, or any part thereof, may be advanced to grantor. Such application or release shall not constitute a release or waive any default or notice of default hereunder or invalidate any action hereunder.

not cure or waive any debt, notice of default or breach of trust, nor shall it act done pursuant to such notice.

Section 6. The Trust shall 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 to the Beneficiary 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 assignment, beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment thereof, and the amount so paid, together with the obligations described in paragraphs 6 and 7 of this hereby assigned together with the obligations described in paragraphs 6 and 7 of this deed, shall be added to and become a part of the debt secured by the trust deed, without waiver of any rights arising from breach or non-compliance with the covenants hereof and for such payments, with interest thereon, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are as to the payment of the obligation hereinbefore described, and all such payments shall be immediately due and payable without notice, and the payment 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.

[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, condemnation, beneficiary shall have the right to elect compensation for such taking, which are in excess of the amount payable by the government, to pay all reasonable costs, expenses and attorney's fees incurred by grantor in connection with such proceedings, and to pay to beneficiary all amounts that may be paid to beneficiary and attorney's fees, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance appraised and awarded to beneficiary hereunder, and grantor agrees to execute, to take such actions secured hereby, and give all such expense, to take such actions as may be required, and make such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

\_\_\_\_\_  
written request of bene-

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 role 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, beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by the court, take any action deemed necessary to protect the interests of the business 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 the proceeds of any sale of property, and to do all other acts and things which may be necessary or proper to protect the business hereby secured and to collect the same, and to pay the reasonable attorneys' fees and expenses of operation and collection, including reasonable attorneys' fees and expenses of 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 performance, the beneficiary may declare all said indebtedness immediately due and payable. In such an event the beneficiary at his election may proceed to foreclose this trust deed and the beneficiary may, at his election, exercise 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 beneficiary's agent shall cause to be recorded his written notice of election to foreclose and to be published in the time and place of sale, give notice of the sale by advertisement and sale, and the trustee shall execute and cause to be recorded his written notice of election and his election to sell the said described real property, and the trustee shall execute and cause to be recorded his written notice of election to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

in the manner provided in ORS 86.733 to 86.795.

13. Alter the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 3 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, the entire amount due by the trust deed, the default may be cured by paying the sum of all amounts due by the trust deed. If the beneficiary is capable of not then be due had no default occurred. Any other sums or expenses required under the being cured may be cured by tendering the same. In addition to curing the default or obligation or trust deed, the cure shall pay to the beneficiary all costs and attorney's fees 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, and shall execute a deed as the trustee shall deem proper, in the form required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusively presumed to be true. The trustee, however, shall not be liable to the purchaser or 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 for trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the date of the trustee in the trust deed as their interest in the property of the trust, 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 of the settlor, the trust shall terminate and the trust property shall be distributed to the beneficiary named herein. 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 signed by the beneficiary, which, when 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 proper 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: 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.

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

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.

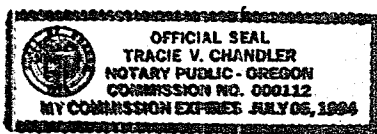
IN WITNESS WHEREOF, said grantor has hereunto set his hand the day and year first above written.

\* 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.

R. Keith Shipton  
R. Keith Shipton

Sondra Shipton  
Sondra Shipton

STATE OF OREGON, County of Klamath ss.  
This instrument was acknowledged before me on March 31, 19 92,  
by R. Keith Shipton and Sondra Shipton  
This instrument was acknowledged before me on \_\_\_\_\_, 19\_\_\_\_,  
by \_\_\_\_\_  
as \_\_\_\_\_



Tracie V. Chandler  
Notary Public for Oregon  
My commission expires 7-6-94

#### 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

(FORM No. 851)

STEVENS-NESS LAW FIRM, P.C., PORTLAND, ORE.

R. Keith Shipton and Sondra  
Shipton

Grantor

Patricia June Bowen

Beneficiary

AFTER RECORDING RETURN TO  
Klamath Falls First Federal  
Savings and Loan—Main  
Branch

SPACE RESERVED  
FOR  
RECORDER'S USE

STATE OF OREGON, } ss.  
County of Klamath

I certify that the within instrument was received for record on the 1st day of April, 19 92, at 10:36 o'clock A.M., and recorded in book/reel/volume No. M92 on page 6739 or as fee/file/instrument/microfilm/reception No. 42912, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn County Clerk  
NAME TITLE

By Debra M. Miller Deputy

Fee \$15.00