

92 OCT 15 PM 3 29

day of OCTOBER

1992 between

THIS TRUST DEED, made this 12TH day of SEPTEMBER  
DANIEL H. BAILEY AND SHELLEY P. BAILEY, HUSBAND & WIFE

as Grantor, KLAMATH COUNTY TITLE  
LESTER Z. BROOKSHIRE AND FRANCES H. BROOKSHIRE, HUSBAND & WIFE, WITH THE RIGHT  
OF SURVIVORSHIP.

**as Beneficiary,**

**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" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

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 **SEVENTY THOUSAND & NO/100\*\*\*\*\*Dollars**, with interest thereon according to the terms of a promissory note made by grantor and made by grantor, the final payment of principal and interest hereof, in full satisfaction of said indebtedness.

note of even date herewith, payable to beneficiary or order and made by grantor, XX  
not sooner paid, to be due and payable OCTOBER-16, 2002, on which the final installment of said note  
paid off the debt secured by this instrument is the date, stated above, on which the final installment of said note

[illegible]

To protect the security of this trust deed, grantor agrees:

1. To protect the security of this trust deed, grantor agrees:  
 A. To protect, preserve and maintain said property in good condition and repair; not to remove or demolish any building or improvement thereon; and not to 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

3. The beneficiary shall comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, the beneficiary shall execute such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the public office as the beneficiary may require and the cost of all lien searches made by the beneficiary in connection with the financing statements shall be deemed desirable by the beneficiary; and the beneficiary shall continuously maintain insurance on the buildings and improvements thereon for the full replacement value thereof.

4. To provide and continuously maintain insurance on the buildings now or hereafter located on the said premises against loss or damage by fire and such other hazards as a beneficiary may require, written in and such other policy or policies shall be procured by the grantor in an amount not less than \$100,000.00 **FULL INSURABLE VALUE** and the same shall be acceptable to the beneficiary, with loss payable to the latter; all companies of insurance shall be delivered to the beneficiary as soon as insured; if the grantor shall fail for any reason to procure any such insurance and to deliver said policies to the beneficiary, at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the beneficiary may secure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, or may be terminated, or may be released to grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notices free from construction liens and to pay all

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 due or delinquent and promptly deliver receipts therefor, the grantor shall be obligated to make payment of any taxes, assessments or charges should the grantor fail to make payment of any taxes, assessments or charges by providing benefits with funds with which to pay said insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing benefits at its option, make payment thereof, and the amount so paid, beneficiary must 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 debt secured by this trust deed, without waiver of any rights arising from interest as aforesaid, the provocation, hereof and for such payments, with the grantor, shall be bound to the extent hereinbefore described, as well as to the payment of the obligation herein same extent that they are parents shall be immediately due and payable, described, and all such payment thereof shall, at the option of the beneficiary, out notice, and all such payment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable and

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 actually incurred.

1. To appear in and defend any action or proceeding brought by or against the beneficiary or trustee; and in any suit, action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of the deed, to pay all costs and expenses, including evidence of the title and the beneficiary or trustee's fees in all cases shall be fixed by the trial court and in the event of an appeal from any judgment or decree of the trial court, the beneficiary or trustee agrees to pay such sum as the appellate court shall 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:**

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 it so elects, to take that all or any portion of the monies payable right, if it so elects, to take 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 attorney's fees, to be paid to beneficiary and to pay all reasonable costs, expenses and attorney's fees, to be paid to beneficiary and incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it 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 applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compromise and execute promptly upon beneficiary's request.

9. Upon written request of beneficiary,

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 reconveyance, 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 all matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any 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 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.

[illegible][illegible]

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the trustee may sell said property either be postponed as provided by law or the trustee may sell the parcel or parcels in one parcel or in parcels to the highest bidder for cash, payable at the time of sale, and shall deliver to the purchaser its deed in covenant or warranty, express or implied. The real estate shall be sold on any matters of fact shall be conclusive and binding upon the purchaser and the trustee, and the trustee shall be bound by the truthfulness thereof. Any person, excluding the trustee, but including

15. When trustee sells pursuant to the power of sale provided herein, trustee shall apply the proceeds of sale in payment of (1) the expenses of sale, including the cost of publication of the notice of sale, (2) to all persons including the grantor, (3) to the obligation secured by the trust and (4) to all persons having recorded liens subsequent to the recording of the trust in the trust records in the order of their priority and then to the grantor or his heirs, if any, or to the grantor or to his successor in interest entitled to such surplus, if any, from time to time appoint a successor or successors to the trust.

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, the trustee shall, without conveyance to the successor trustee, be vested with all title, powers and duties of the trustee named herein or appointed hereunder. This appointment and substitution shall be made by a 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. This trust when this deed, duly executed and

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 satisfy 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.

RETURN TO: KLAMATH COUNTY TITLE COMPANY, 422 MAIN STREET, KLAMATH FALLS, OR 97601

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).  
 (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.

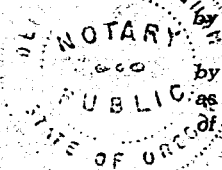
Daniel H. Bailey  
 DANIEL H. BAILEY

Shelley P. Bailey  
 SHELLEY P. BAILEY

STATE OF OREGON, County of Klamath ss.

This instrument was acknowledged before me on October 15, 1992,  
DANIEL H. BAILEY & SHELLEY P. BAILEY

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



Webster Buckingham  
 Notary Public for Oregon  
 My commission expires 12-19-92

#### 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. 881)

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

Grantor

Beneficiary

AFTER RECORDING RETURN TO

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

## EXHIBIT "A"

K-44584

## Description

The following described real property situate in Klamath County, Oregon:

The Northwesterly 46.3 feet of Lot 88 and the following described portion of Lot 89, Moyina, a platted subdivision in Klamath County, Oregon:

Beginning at the most Southerly corner of Lot 89 in said Moyina; thence North  $64^{\circ}17\frac{1}{2}'$  East, along the line between Lots 88 and 89 in said Moyina, a distance of 125.0 feet, more or less, to the most Easterly corner of said Lot 89; thence North  $25^{\circ}42\frac{1}{2}'$  West, along the Northeasterly boundary of said Lot 89, a distance of 9.17 feet; thence Northwesterly along the arc of a curve to the left, the radius of which is 723.69 feet, a distance of 58.85 feet; thence South  $59^{\circ}19'$  West, along the radius of said curve, 125.0 feet, more or less, to the Southwesterly boundary of said lot 89; thence Southeasterly, along said Southwesterly boundary which is the arc of a curve to the right, the radius of which is 598.69 feet, a distance of 48.66 feet; thence South  $25^{\circ}42\frac{1}{2}'$  East, 9.17 feet, more or less, to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title co the 15th day  
of Oct. A.D., 19 92 at 3:29 o'clock PM., and duly recorded in Vol. M92,  
of Mortgages on Page 24193.

Evelyn Biehn - County Clerk

By Pauline M. Mendenhall

FEE \$20.00