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Return to: W. Brandsness 411 Pine Street Klamath Falls, OR 97601	Tax Statements to: Robert L. Winchell 87 Ridgecrest Klamath Falls, OR 97601	Clerk's Stamp:
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TRUST DEED # 01039199 (Escrow)
Aspen Title 39200 (Title)

DATE: November 27, 1992.

PARTIES: Robert L. Winchell and
Sherri J. Winchell

("Grantor")

William P. Brandsness

("Trustee")

Herman Fried and Sherri Winchell,
Conservators and Trustees of
Blanche Fried, A Protected Person

("Beneficiary")

RECITALS:

A. Grantor is the owner of real property situated in Klamath County, Oregon, described as:

Lot 14, Block 2, Tract 1145, NOB HILL, a resubdivision of portions of Nob Hill, Irvington Heights, Mountain View Addition and Eldorado Heights, in the City of Klamath Falls, in the County of Klamath, State of Oregon,

including all appurtenances, buildings and existing or future improvements located thereon and all fixtures and attachments thereto, all of which real property is hereinafter referred to as "the Trust Property."

B. Beneficiary has agreed to lend to Grantor and Grantor has agreed to borrow from Beneficiary, the sum of \$137,000.00 upon the terms and conditions set out herein and in a promissory note (the Note) dated concurrently with this Trust Deed with the final payment due on the 27th day of November, 2022, which is the maturity date of this Trust Deed. Grantor has agreed to deed to Trustee the Trust Property to secure punctual payment of the Note and any other indebtedness owing by Grantor to Beneficiary and to secure performance of all of Grantor's obligations under the Note, under this Trust Deed and under any other instruments evidencing an indebtedness of Grantor to Beneficiary.

C. The parties covenant and agree as follows:

SECTION 1 GRANTOR'S COVENANTS AND WARRANTIES

1.1 Payment of the Note. Grantor will make all payments of the interest and principal for which provision is made in the Note, and in any note or notes given in renewal or replacement thereof, promptly as such payments become due and payable and will pay the unpaid balance of the Note upon maturity.

1.2 Warranty of Title. Grantor warrants that it holds good and merchantable title to the Trust Property subject to no liens or encumbrances. Grantor covenants with Beneficiary that it will defend Beneficiary's and Trustee's rights hereunder against the claims and demands of all persons.

1.3 Use of Loan Proceeds. Grantor covenants that the proceeds of the loan represented by the Note and this Trust Deed are to be used for Grantor's personal, family, or household purposes.

1.4 Taxes and Assessments; Liens and Claims.

1.4.1 Payment. Grantor shall pay, when due, all taxes and all assessments imposed against the Trust Property and all claims and demands arising from the Grantor's use or occupancy of the Trust Property.

1.4.2 Protection of the Trust Property From Liens. Grantor shall not permit any lien prior or equal to the Trustee's title to be imposed upon the Trust property, except liens for taxes or assessments assessed but not yet due.

1.4.3 Monthly Deposits. Unless this covenant is prohibited by law or waived in writing by Beneficiary, Grantor shall pay Beneficiary each month a sum equal to one-twelfth of the annual taxes, assessments and similar charges of the Trust Property as estimated by Beneficiary. Beneficiary shall apply such sums to payment of those items when due. Sums paid by Grantor under this provision shall not earn interest and may be commingled with other funds of Beneficiary. If Beneficiary is required by law to pay interest on these sums, they shall earn interest at the lowest permissible rate, and Beneficiary may impose any reasonable and

lawful charge for holding and disbursing such funds.

1.5 Insurance.

1.5.1 Property Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement cost basis covering all building and improvements, including additions thereto and replacements thereof, in an amount sufficient to avoid application of any coinsurance clause and with loss payable to Beneficiary. The amount of insurance shall, in no event, be less than the amount of principal owed on the Note.

1.5.2 Insurance companies, Policies and Certificates. Both the insurance company providing the policy required by this Section and the form of the policy must be acceptable to Beneficiary. Grantor shall deliver to Beneficiary a certificate of coverage from the insurer issuing the policy containing a stipulation that coverage will not be canceled or diminished without a minimum of 10 days advance written notice to Beneficiary. Grantor shall deliver to Beneficiary at least 10 days prior to the expiration of any insurance policy required by this Section a certificate showing the placement of a renewal or substitute policy of insurance.

1.5.3 Notice of Loss. In the event of loss, Grantor shall immediately notify Beneficiary, which may make proof of loss if it is not made promptly by Grantor.

1.5.4 Insurance Proceeds. Insurance proceeds shall be paid directly to Beneficiary which may deal directly with any insurance company. If Beneficiary, by reason of such insurance, receives any money for loss or damage, such amount may, at the option of Beneficiary, either: (i) be retained and applied by Beneficiary toward payment of all or part of the indebtedness secured by this Trust Deed in such order as Beneficiary may determine, without regard to whether or not the security of Beneficiary is impaired, or (ii) be paid over wholly or in part to the Grantor upon such conditions as Beneficiary may determine for the repair of buildings or improvements located on the Trust Property or for the erection of new buildings or improvements in their place or for any other purpose or object satisfactory to Beneficiary. If Beneficiary elects to pay all or a portion of the

insurance proceeds to Grantor, Beneficiary shall not be obligated to see to the proper application or any amount paid to Grantor.

1.6 Use, Maintenance and Alterations.

1.6.1 Duty to Maintain. Grantor shall maintain the Trust Property in good condition and repair and promptly perform all repairs and maintenance necessary to preserve its value.

1.6.2 Waste; Nuisance. Grantor shall not conduct or permit any nuisance on the trust Property nor commit or suffer any strip or waste thereof.

1.6.3 Removal of Improvements. Grantor shall not demolish or remove any improvements on the Trust Property without prior written consent of Beneficiary.

1.6.4 Beneficiary's Right to Enter and Inspect. Grantor will permit Beneficiary and its agents to enter upon the Trust Property at all reasonable times to inspect the Trust Property.

SECTION 2. EVENTS OF DEFAULT

The following shall constitute events of default:

2.1 Nonpayment. Failure of grantor to make any payment required by the Note or to make any payment for taxes, insurance premiums or for reserves for such payments, or any other payment necessary to prevent filing of or discharge of any lien within 10 days after written notice by Beneficiary (or Beneficiary's agents) of any such nonpayment. No notice by Beneficiary shall be required for nonpayment if during the preceding 12 calendar months Beneficiary has sent notice to Grantor concerning any nonpayment hereunder.

2.2 Breach of Other Covenant. Failure of Grantor to perform any obligation contained in this Trust Deed within 30 days after notice from Beneficiary (or Beneficiary's representative) specifying the nature of the default or, if the default cannot be cured within 30 days, failure within such time to commence and pursue with reasonable diligence curative action.

2.3 Sale or Transfer of Possession. The sale or transfer of possession of the Trust Property or any part thereof in any manner by Grantor, whether by deed, contract of sale, lease or similar agreement, without the prior written consent of Beneficiary. Grantor acknowledges that the loan secured by this Trust Deed is personal to Grantor and that in making it Beneficiary has relied on Grantor's credit, Grantor's interest in the Trust Property and financial market conditions at the time this loan is made.

SECTION 3. REMEDIES IN CASE OF DEFAULT

If an event of default shall occur, Beneficiary or Trustee, as the case may be, may exercise any of the following rights and remedies, in addition to any other remedies which may be available at law, in equity, or otherwise:

3.1 Acceleration. Beneficiary may declare all sums secured by this Trust Deed, including all interest and prepayment penalties, to be immediately due and payable.

3.2 Receiver. Beneficiary may have a receiver of the Trust Property appointed. Beneficiary shall be entitled to the appointment of a receiver as a matter of right whether or not the apparent value of the Trust Property exceeds the amount of the indebtedness secured by this Trust Deed. Employment by Trustee or Beneficiary shall not disqualify a person from serving as receiver. Grantor waives all defenses and consents to the appointment of a receiver at Beneficiary's option.

3.3 Foreclosure. Beneficiary may obtain a decree foreclosing Grantor's interest in all or any part of the Trust Property.

3.4 Power of Sale. Beneficiary may direct Trustee, and Trustee shall be empowered, to foreclose the Trust Property by advertisement and exercise of the power of sale under applicable law.

3.5 Cumulative Remedies. Election to pursue one remedy shall not exclude resort to any other remedy, and, unless the context otherwise requires, all remedies under this Trust Deed are cumulative and not exclusive.

SECTION 4. GENERAL PROVISIONS

4.1 Reconveyance Upon Payment. Upon written request of Beneficiary stating that all sums secured hereby have been paid, surrender of this Trust Deed and the Note to Trustee for cancellation and retention and payment of its fees, Trustee shall reconvey, without warranty, the Trust Property then held hereunder. The recitals in any reconveyance executed

under this Trust Deed of any matters of facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

4.2 Substitute Trustee. In the event of dissolution or resignation of the Trustee, Beneficiary may substitute one or more trustees to execute the trust hereby created, and the new trustee(s) shall succeed to all of the powers and duties of prior trustees.

4.3 Trust Deed Binding on Successors and Assigns. This Trust Deed shall be binding on and insure to the benefit of the successors and assigns of Grantor, Trustee and Beneficiary.

4.4 Adjustable Rate Loan. Grantor acknowledges that the terms of the Note provide that the interest rate is subject to adjustment, both upward and downward, which may increase or decrease the amount of periodic payments or may extend or shorten the term of this Trust Deed, or both. The priority of this Trust Deed shall not be affected by such terms.

4.5 Indemnity. Grantor shall hold beneficiary and Trustee harmless from any and all loss and expense, including but not limited to attorney fees and court costs, in any suit, action or proceeding or any appeal therefrom brought against Trustee or Beneficiary by a third party resulting from or attributable to Beneficiary ownership of the Note or Trustee's interest under this Trust Deed, except suits, actions and proceedings based upon a claim that Beneficiary or Trustee improperly entered into this Trust Deed or Note or loaned money thereunder.

4.6 Notice. Any notice under this Trust Deed shall be in writing. Any notice to be given or document to be delivered under this Trust Deed shall be effective when either delivered in person or deposited as registered or certified mail, postage prepaid, addressed to the party at the address first stated in this Trust Deed; provided that any notice pursuant to exercise of the Trustee's power of sale in the event of default shall be sufficient if such notice complies with all provisions of Oregon law applicable to exercise of such powers of sale. Any party may, by notice to the others, designate a different address.

4.7 Expenses and Attorney Fees. In the event that Beneficiary or Trustee shall take any action, judicial or otherwise, to enforce the Note or any provision of this Trust Deed or if Beneficiary or Trustee shall be required to appear in any proceeding to protect and maintain the priority of Trustee's title to the Trust Property, Trustee or Beneficiary (or both) shall be entitled to recover from Grantor all expenses which it may reasonably incur in taking such action, including but not limited to costs incurred in searching records, the cost of title reports and surveyors' reports, and its attorney fees, whether incurred in a suit or action or any appeals from a judgment or decree therein or petition for review, or in connection with nonjudicial action.

4.8 Beneficiary's Right to Cure. If Grantor fails to perform any obligation required of it under this Trust Deed, Beneficiary may, without notice, take any steps necessary to remedy such failure. Grantor shall reimburse Beneficiary for all amounts expended in so doing on demand with interest at a rate equal to the lesser of 12% percent per annum or the highest rate permitted by applicable law from the date of expenditure until repaid. Such action by Beneficiary shall not constitute a waiver of the default or any other right or remedy which Beneficiary may have on account of Grantor's default.

4.9 Applicable Law. This Trust Deed shall be governed by the laws of the State of Oregon.

4.10 Time of Essence. Time is of the essence of this Trust Deed.

4.11 Headings. The headings to the sections and paragraphs of this Trust Deed are included only for the convenience of the parties and shall not have the effect of defining, diminishing or enlarging the rights of the parties or affecting the construction or interpretation of any portion of this Trust Deed.

4.12 Severability. If any provision of this Trust Deed shall be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provisions of this Trust Deed, but this Trust Deed shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

4.13 Entire Agreement. This Trust Deed and the Note contain the entire agreement of the parties with respect to the matters covered, and no other previous agreement, statement or promise made by any party to this Trust Deed which is not contained in its terms or in the terms of the Note shall be binding or valid.

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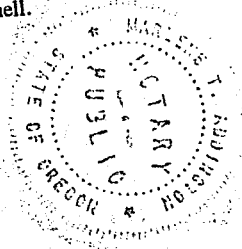
IN WITNESS WHEREOF, Grantor has caused this Trust Deed to be executed as of the day and year first above written.

Robert L. Winchell

Sherri J. Winchell

STATE OF OREGON)
County of Klamath) ss.)

This instrument was acknowledged before me on the 10th day of December, 1992 (ma) N.P.
27th day of November, 1992 by Robert L. Winchell and Sherri J. Winchell.



Barlene V. Addington
Notary Public for Oregon
My Commission expires: 3-22-93

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co the 10th day
of Dec. A.D., 19 92 at 2:11 o'clock P M., and duly recorded in Vol. M92,
of Mortgages on Page 29285.
By Evelyn Biehn County Clerk
Darlene V. Addington

FEE \$20.00