

MADE BY: ATE: 001040982 12-20-93A10:37 RCLD-INCLUSIVE TRUST DEED

Vol 93 Page 33851

73044

THIS TRUST DEED, made this 9th day of December, 1993, between GRANT THACKER

ASPEN TITLE & ESCROW, INC. as Trustee, and LE ROY E. VAUGHAN 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:

The South 33 feet of Lot 10 and the North 2 feet of Lot 11, Block 11, HOT SPRINGS ADDITION TO THE CITY OF KLAMATH FALLS, in the County of Klamath, State of Oregon.

Code 1 Map 3809-29DD Tax Lot 5100

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE INCORPORATED

HEREIN AS THOUGH FULLY SET FORTH HEREIN

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 the property.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of TWENTY EIGHT THOUSAND AND NO/100

(\$28,000.00)

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 on or before the 1st day of November, 1994.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of the note becomes due and payable. Should the grantor either agree to, attempt to, or actually sell, convey, or assign all (or any part) of the property or all (or any part) of grantor's interest in it without first obtaining the written consent or approval of the beneficiary, which consent shall not be unreasonably withheld, 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. (Delete underlined clause if inapplicable.) The execution by grantor of an earnest money agreement does not constitute a sale, conveyance or assignment.

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

1. To protect, preserve and maintain the property in good condition and repair; not to remove or demolish any building or improvement thereon; not to commit or permit any waste of the property;

2. To complete or restore promptly and in good and habitable condition 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 the 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 title 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 property 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 insurable value written in companies acceptable to the beneficiary, with loss payable to the latter; all policies 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 the policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on the buildings, the beneficiary may procure 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 any part thereof, 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 notice.

5. To keep the property free from construction liens and to pay, all taxes, assessments and other charges that may be levied or assessed upon or against the 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, liens or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payments, 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 debt 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, as well as the grantor, 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 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 fees actually incurred.

7. To appear in and defend any action or proceeding purporting to affect the security rights or powers of 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 this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph 7, 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, grantor further agrees to pay such sum as the appellate court shall adjudge 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 the property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable as compensation for such taking

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.

*WARNING: 12 USC 1701 regulates and may prohibit exercise of this option.

*The publisher suggests that such an agreement address the issue of obtaining beneficiary's consent in complete detail.

TRUST DEED

Grantor
Beneficiary

After Recording Return to (Name, Address, Zip): ASPEN TITLE & ESCROW, INC. 525 Main Street Klamath Falls, OR 97601 ATIN: Collection Dept.

STATE OF OREGON,

County of

I certify that the within instrument was received for record on the day of 1993 at o'clock M., and recorded

in book/reel/volume No. on page or as fee/file/instrument/microfilm/reception No.

Record of said County.

Witness my hand and seal of County affixed

NAME 3392 Deputy

By

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 any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (d) legally entitled thereto," and all 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.

11. ~~The entering upon and taking possession of the 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.~~

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.735, may give the debtor written notice of the sale, and cause to be recorded a written notice of default and election to sell the property to satisfy the obligation to foreclose, this trust deed in the manner provided in ORS 86.735 to 86.795, which is subject to the provisions of the deed, and the trustee shall then give notice thereof as then required by law, and proceed to foreclose by advertisement and sale, the beneficiary shall not be liable for the costs of such notice.

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 the sale may be postponed as provided by law. The trustee may sell the property either in one parcel or in separate parcels and shall sell in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied, except as to the deed of any matters of fact shall be correct.

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 conferred upon any trustee herein named or appointed hereunder. Each such appointment shall be made by written instrument executed by Beneficiary, which shall be recorded in the office of the County Clerk of the County of Santa Clara, California, having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor, or to any successor in interest entitled to such surplus.

1. The grantor, covenants and agrees to and with the beneficiary and the beneficiary's successor in interest that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto.

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.

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, such word is defined in the "Definitions" section of the document.

... This instrument was acknowledged before me on _____) ss.
by GRANT THACKER DEC. 14 1893

of CAMPBELL RIVER, B.C.
 KNOWN TO ME JOANNE L. JOHNSON, Notary Public
 HOL. ELMENCE 972 Island Hwy. P.O. Box 1001
Delson
 NOTARY PUBLIC

REQUEST FOR FULL RECONVEYANCE (To be used only when obligations have been paid.) of the first block in the

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by the trust deed have been fully paid and satisfied. You hereby are directed on behalf of the Trust to reconvey the property to the undersigned.

THIS TRUST DEED DATED 19
not lose or destroy this Trust Deed OR THE NOTE which it secures.
must be delivered to the trustee for cancellation hereon.

15-50-a-4110:01 X0110

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EXHIBIT "A" TO TRUST DEED

THIS TRUST DEED IS AN ALL-INCLUSIVE TRUST DEED AND IS JUNIOR AND SUBORDINATE TO A MORTGAGE RECORDED IN BOOK M-78 AT PAGE 25109 IN FAVOR OF STATE OF OREGON, REPRESENTED AND ACTING BY THE DIRECTOR OF VETERANS' AFFAIRS, AS MORTGAGEE, WHICH SECURES THE PAYMENT OF A NOTE THEREIN MENTIONED. LE ROY E. VAUGHN, THE BENEFICIARY(IES) HEREIN, AGREE TO PAY, WHEN DUE, ALL PAYMENTS DUE UPON THE SAID NOTE IN FAVOR OF STATE OF OREGON, PRESENTED AND ACTING BY THE DIRECTOR OF VETERANS' AFFAIRS, AND WILL SAVE GRANTOR(S) HEREIN, GRANT THACKER, HARMLESS THEREFROM. SHOULD THE SAID BENEFICIARY(IES) HEREIN DEFAULT IN MAKING THE PAYMENTS DUE UPON SAID PRIOR NOTE AND MORTGAGE, GRANTOR(S) HEREIN MAY MAKE SAID DELINQUENT PAYMENTS AND ANY SUMS SO PAID BY GRANTOR(S) HEREIN SHALL THEN BE CREDITED UPON THE SUMS NEXT TO BECOME DUE UPON THE NOTE WHICH IS SECURED BY THIS ALL-INCLUSIVE TRUST DEED.

 (INITIALS OF BENEFICIARY(IES))

 (INITIALS OF GRANTOR(S))

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co. the 20th day
of Dec A.D. 19 93 at 10:37 o'clock AM. and duly recorded in Vol. M93
of Mortgages on Page 33851

FEE \$20.00

Evelyn Biehn County Clerk

By David E. Millardore