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73800

TRUST DEED

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THIS TRUST DEED, made this 19 day of September, 1993, between
DAVID F. ZEPPOLE and **LESLIE A. ZEPPOLE**, Husband and Wife,
as Grantor, **KLAMATH FIRST FEDERAL SAVINGS & LOAN**,
BARBARA A. ZEPPOLE, as Trustee, and
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:

Lot 3 in Block 7 of FIRST ADDITION TO PINE GROVE PONDEROSA,
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 connec-
tion with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the
sum of One Hundred Five Thousand and no/100-- (\$105,000)

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

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note
sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary,
herein, shall become immediately due and payable.

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;

2. To complete or restore promptly and in good and workmanlike manner any building or improvement which may be constructed, damaged or destroyed theron, and pay when due all costs incurred theron;

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requires, 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 \$

compromised acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as insured;

5. 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 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 act done pursuant to such notice.

6. To keep said premises free from construction items 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, fees or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payment, beneficiary may, at his option, make payment thereof, and the amount so paid, with interest at the rate set forth at the note secured hereby, together with the obligations described in paragraphs 5 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 its such payments with interest as aforesaid, the property hereinafter 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.

7. 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.

8. To appear in and defend any cause or proceeding, pertaining to

where 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 enforcement of this deed, to pay all costs and expenses, including evidence of fact 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 borne by the grantor 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 courts shall award to reasonable as the beneficiary's attorney's fees on such appeal.

9. Is specifically agreed that:

10. In the event of any seizure or sale of said 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 share of the amounts required

for condemnation or such seizure, which are in excess of the amounts required

for payment of taxes, expenses and attorney's fees not necessarily paid as

required by grantor at such proceedings, that are paid to beneficiary and

expended by grantor for attorney's fees and expenses and attorney's fees

shall be the total and exclusive property, money and goods as incurred by

beneficiary in such proceedings as paid to beneficiary under the indebtedness

secured hereby, and grantor agrees, at the grantor's expense, to take such actions

and expenses such attorney's fees as shall be necessary to effectuate such con-

demnation, seizure or sale proceedings.

11. At any time after three years from the date upon written request of bene-

ficiary, payment of the full and undivided value of this deed and the note for

indebtedness thereon, all costs of title examination, for cancellation, without affecting

any liability of grantor for the payment of the indebtedness, grantor, however may

pay interest on the amount of one-half of said debt of said property; (3) grantor

shall apply the proceeds of sale to payment of (1) the expenses of sale, includ-

ing the compensation of the trustee and a reasonable charge by trustee's attorney; (2) to the obligation secured by the trust deed; (3) to all persons

having recorded liens subsequent to the recording of the trustee in the trust

deed or title interests, may appear in the order of their priority; and (4) to the grantor, if any, to the grantor or to his successor in interest entitled to such

trustee.

12. Beneficiary may from time to time appoint a successor or success-

sors to any trustee named herein or to any successor trustee appointed here-

under. 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

and substitution shall be made by written instrument executed by beneficiaries,

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 successor trustee.

13. Trustees accept this deed 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

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.

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, insures 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 pledges, 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.

(If the signer of the above is a corporation, use the name "acknowledgment" opposite.)

STATE OF OREGON

County of Klamath

This instrument was acknowledged before me on
1993, by

DAVID F. ZEPPONI and LESLIE A. ZEPPONI, Husband and Wife

Barbara Zepponi after

OFFICIAL SEAL Notary Public for Oregon
CAROL STARKWEATHER
NOTARY PUBLIC FOR OREGON
COMMISSION NO. 014139
TRY COMMISSION EXPIRES MARCH 01, 1995

STATE OF OREGON

County of

This instrument was acknowledged before me on
19 , by

as

of

Notary Public for Oregon

My commission expires:

(SEAL)

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 sum 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

Barbara Zepponi
Beneficiary

TRUST DEED

(Form No. 801)

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

DAVID F. ZEPPONI and
LESLIE A. ZEPPONI,
Husband and Wife
Grantor

BARBARA A. ZEPPONI
Beneficiary

STATE OF OREGON

County of Klamath

I certify that the within instrument was received for record on the 3rd day of Jan. 1994, at 11:28 o'clock A.M., and recorded in book/reel/volume No. M94 on page 41 or as fee/file/instrument/microfilm/reception No. 13200, Record of Mortgages of said County.

Witness my hand and seal of
County affixed.

Evelyn Biehn, County Clerk

NAME

By *Pauline Mullendore* Deputy

Klamath First Fed
540 Main St.
Klamath Falls OR
97601

DEED
Fee \$15.00