

784-59

TRUST DEED

VOL M94 L948 3686

THIS TRUST DEED made the day of April

19th 19⁹⁴ before me,LOST RIVER LAND AND CATTLE INC.
MOUNTAIN TIMES AND LEASOR

, as Creator,

BILL G. PAUGSTAT & MARJORIE R. PAUGSTAT

, as Trustee, and

WILLIAM G. PAUGSTAT & MARJORIE R. PAUGSTAT, as Beneficiary,

, as Beneficiary,

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in

KLAMATH COUNTY, OREGON, described as:

LOT 18 IN LAKEWOOD HEIGHTS, 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 thereto 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 four thousand dollars,

to the said William G. Paugstat & Marjorie R. Paugstat, according to the terms of a promissory note of even date herewith payable to beneficiary, principal and made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable August 1, 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. 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:

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 thereon.

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, if any, then 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 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 \$ 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 defect hereinunder 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 discharge the same to the beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, license 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 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 obligation 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. A 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 obligations 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 and attorney's fees actually incurred.

7. To appear in aid and defend any action or proceeding proceeding to effect the security rights or powers of beneficiary or trustee; 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 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 that such such 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:

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 desires, to receive the full amount of the money 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 law of Oregon or the United States, a title insurance company authorized to do business in Oregon, or a title agent of another, as well as, any other agent or trustee, the United States or any agency thereof, or an attorney licensed to do business in Oregon 676-305-3963.

TRUST DEED

LOST RIVER LAND AND CATTLE INC.
P.O. BOX 4216
LAKEVIEW OR 97650BILL G. PAUGSTAT & MARJORIE R. PAUGSTAT
1125 TAMERA DR
KLAMATH FALLS OR 97603

Attest, I, William G. Paugstat, do hereby certify that the above named Bill G. Paugstat & Marjorie R. Paugstat, 1125 Tamera Drive, Klamath Falls, OR 97603, is my true and lawful attorney in fact, and that the signature of Bill G. Paugstat & Marjorie R. Paugstat, 1125 Tamera Drive, Klamath Falls, OR 97603, on the foregoing instrument is his/her true and lawful signature.

STATE OF OREGON

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 rec'd/file/basis-

ment/microfilm/reception No. Record of of said County.

Witness my hand and seal of County affixed.

NAME TITLE
By 3022 Party

which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon all 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 file and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

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 or endorsement (in case of full reconveyance, for cancellation), without affecting the liability of any person for the payment of the indebtedness trustee may, at its option to the making of any map or plat of the property; (b) join in granting any easement or create any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the then or future interest therein, without warranty, all or any part of the property. The grants 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 fee 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 a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the 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 apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary may determine.

10.1. 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 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 grantor's performance of any agreement hereunder, being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary may elect to proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue 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 trustee shall execute and cause to be recorded a written notice of default and election to sell the property to satisfy the obligation secured hereby. Whereupon the trustee shall fix in the time and place of sale a five (5) notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 867.735 to 867.755.

13. After the trustee has commenced foreclosure by advertisement and sale, and if any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 867.755, may cure the default or defaults. If the default consists of a failure to pay when due sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses 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 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 the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser his deed in form as 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 conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and 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 by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having rights or interest in the interest of the trustee in the trust deed as their interests may stand 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.

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 any conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon the trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive as to proper apportionment of the property so situated.

17. Trustee accepts this trust when the deed is recorded. It shall not be a public record as provided by law. Trustee is not liable for any loss or damage suffered by grantor or any other person under any other deed of trust or any action or proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

18. The grantor covenants and agrees to furnish the beneficiary and any beneficiary or successor in interest that the grantor is lawfully seised of, and of the real property as a valid undivided interest in the same, and that the grantor has the right to dispose of the same, and that the grantor will warrant and defend the same against all persons whomsoever.

19. The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are to be used primarily for grantor's personal, family or household purposes (see important Notice below), no lending or borrowing, or giving or receiving, of money or credit to or from any commercial organization, or for any commercial purpose.

20. This deed applies to grantor's factor, donee, 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 by this trust, or of any modification or variation hereof, or of any extension or renewal thereof, or of any extension or variation of the original term of this trust, and that the beneficiary may be more than one person; that if the context so requires the singular shall be taken to mean and include the plural and that generally all grammatical changes shall be made, if necessary, to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, the grantor has executed this instrument the day and year first above written.

RECORDED IN THE OFFICE OF THE CLARK COUNTY CLERK, STATE OF OREGON, ON APRIL 1, 1994, AT PAGE 19, IN THE MANNER PROVIDED BY LAW, PURSUANT TO THE AUTHORITY OF THE STATE OF OREGON, AND IS A PUBLIC RECORD.
IMPORTANT NOTICE: Duly Noted, whichever [a] or [b] is applicable, if a minor, [a] or [b] is given in writing to the minor's parent or guardian. If [a] is given in writing to the Trustee Landlord, and to lessor if applicable, the parent or guardian MUST comply with the Act and is required by law to execute a affidavit before Steven L. Redd, Notary Public No. 10115, or equivalent. If compliance with the Act is not required, disregard this notice.

STATE OF OREGON, County of Clatskanie) ss.
On this day of April, 1994, this instrument was acknowledged before me on April 1, 1994, by Gary Hart, Notary Public, No. 10115, Notary Public for Oregon, whose commission expires Nov. 16, 1995.

This instrument was acknowledged before me on April 1, 1994,
by GARY HART,
as SECRETARY-TREASURER

of ROSE RIVER LAND & CATTLE, INC.
OFFICIAL SEAL

KRISTI L. REDD
NOTARY PUBLIC, OREGON
COMMISSION NO. D-0431

COMMISSION EXPIRES NOV. 16, 1995

Notary Public for Oregon

11/6/95

STATE OF OREGON, COUNTY OF CLATSOP

Filed for record at request of Mountain Little Company, the
Date ADDED to the public record is APRIL 10, 1994, at page 1585, PAT, duly recorded in Vol. 2019, Page 1585.

Fee \$15.00

Bethany Quinnell
County Clerk