

93098

12-30-94P03:18 RCVD

TRUST DEED

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THIS TRUST DEED, made this 30th day of December, 1994, between

RICHARD C. MCCOLLAM AND ANA A. MCCOLLAM, HUSBAND AND WIFE

MOUNTAIN TITLE COMPANY

HIGHLAND COMMUNITY FEDERAL CREDIT UNION

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in Klamath County, Oregon, described as:

THAT PORTION OF THE E 1/2 NW 1/4 OF SECTION 19, TOWNSHIP 40 SOUTH, RANGE 10 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON LYING NORTHERLY AND EASTERLY OF THE KID "C" CANAL.

Code 166 Account No. 4010-01900-00300 Key No. 98575

ALSO INCLUDING: 1975 Farwest MH 54x24 Serial #S1044U

\*THIS DOCUMENT IS BEING RECORDED TO CORRECT YEAR OF MOBILE HOME\* together with all and singular the tenements, hereditaments and all other rights thereunto belonging or in anywise now or hereafter appertaining, and the rents, issues and profits thereon 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 FORTY FOUR THOUSAND SEVEN HUNDRED EIGHTY THREE AND 74/100 (\$44,783.74) Dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable to beneficiary or order and

not sooner paid, to be due and payable January 1, 2005.

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 or other 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, 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. 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 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 \$ full insurable value written in compass 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 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 curtail 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 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 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 the trust including the cost of title search as well as the other costs and expenses of the trustee incurred in connection with or in enforcement of this obligation and trustee's and attorney'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 1701j-3 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

Richard C. McCollam

Ana A. McCollam

Grantor

HIGHLAND COMMUNITY FEDERAL CREDIT UNION

Beneficiary

After Recording Return to (Name, Address, Zip):

HIGHLAND COMMUNITY FEDERAL CREDIT UNION  
3737 Shasta Way  
Klamath Falls, OR 97603

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 fee/file/instrument/microfilm/reception No. \_\_\_\_\_.

Record of \_\_\_\_\_ of said County.

Witness my hand and seal of County affixed.

NAME

TITLE

By \_\_\_\_\_, Deputy

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 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 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 indebtedness, trustee may (a) consent to the making, if any map or plat of the property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordinate or other agreement affecting this deed or the lien or charge thereof; (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 recital: "herein of any in debtors 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

10. Upon any default by grantor to under-enclosed conditions, the trustee shall be authorized to take such actions and execute such instruments as shall be necessary to protect the interest of the beneficiaries.

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 with 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.

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.

12. Upon default by grantor in payment of any indebtedness secured hereby or in grantor's performance of any agreement hereunder, time being of the essence with respect to such payment and/or performance, the beneficiary may elect to proceed 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 or the trustee shall execute and cause to be recorded in the public records of the county in which the property is located. If the beneficiary elects to foreclose by advertisement and sale, the beneficiary shall give written notice of default and election to sell the property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 6.335 to 86.795.

13. After the trustee has commenced foreclosure proceedings, the trustee shall, at the time of the sale, give notice thereof as then required by law and proceed with the sale of the property in accordance with the provisions of ORS 6.735 to 66.795. If the property is sold at a public sale, the trustee shall, at the time of the sale, give notice thereof as then required by law and proceed with the sale of the property in accordance with the provisions of ORS 6.735 to 66.795. If the property is sold at a private sale, the trustee shall, at the time of the sale, give notice thereof as then required by law and proceed with the sale of the property in accordance with the provisions of ORS 6.735 to 66.795. If the property is sold at a public sale, the trustee shall, at the time of the sale, give notice thereof as then required by law and proceed with the sale of the property in accordance with the provisions of ORS 6.735 to 66.795. If the property is sold at a private sale, the trustee shall, at the time of the sale, give notice thereof as then required by law and proceed with the sale of the property in accordance with the provisions of ORS 6.735 to 66.795.

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. 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 recorded liens subsequent to the interest of the trustee in the property, in the order of their priority and (4) to the balance of the proceeds to the grantor or the grantor's estate.

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 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 proof of proper appointment of the successor trustee.

17. Trustee accepts this trust when the 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 or of 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.

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 as a valid, unencumbered title thereto

and that the grantor will warrant and forever defend the same against all persons who insoever.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are for the personal, family or household purposes (see Important Notice below).

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 WITNESS WHEREOF, the

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

**IMPORTANT NOTICE:** Delete, by lining out, which ever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor, such word is defined in the Truth-in-Lending Act and Regulation Z the beneficiary MUST comply with the Act and its rule on by making required disclosures; for its purpose use Stevens-Ness form no. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

*Richard C. McCollam*  
RICHARD C. MCCOLLAM

RICHARD C. MCCOLLAM

ANA A. MCCOLLAM

na H. McCollan

STATE OF OREGON, County of Klamath

This instrument was acknowledged before me on December 30 ss.

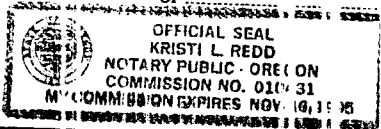
by RICHARD L. MCCOLLAM AND ANA A. MCCOLLAM, husband and wife  
This test: mentioned was acknowledged before me on December 30, 1994

This instrument was released to: ANA A. MCCOLLAM, husband and wife

by \_\_\_\_\_, 19\_\_\_\_

as

of



My commission expires

Notary Public for Oregon

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mount Union Title Co.  
of Dec A.D. 19 94 at 3:18 o'clock PM on the 30th day  
of Portages duly recorded in Vol. M94  
39279

FEE \$15.00

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Evelyn Biehn

County Clerk

By Pauline Mueller County Clerk

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 4th day  
of Jan A.D., 1995 at 2:26 o'clock P. M., and duly recorded in Vol. M95  
of Mortgages on Page 235  
Bernetha G. Letsch County Clerk  
By [Signature]

FEE \$20.00