

## TRUST DEED

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**THIS TRUST DEED**, made this 14th day of May 1997, between

Al Dailey and Eddie L. Dailey,

as Grantor, Aspen Title And Escrow Co., Terry J. Minchinton and Marilyn E. Minchinton as Joint Tenants w/tfull rights of Survivorship and not as Tenants in Common, 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:

Lots 4, 5, 6, 34 and 35 Block 61, Klamath Falls, Forest Estates Hwy 66 Unit Plat #2 according to the official plat thereof on file in the office of the county clerk of Klamath County, Oregon.

MAY 23 1997

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 said real estate.

**FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of Five Thousand and no/100 -**

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 August 14, 1997.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note becomes due and payable.

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

1. To pay taxes, assessments and maintenance and expenses of all good condition and repair, not to commit any waste or damage to the property or to commit or permit any waste or damage thereto;

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

3. To comply with all laws, regulations, restrictions, covenants, conditions and restrictions affecting the property, to the benefit of 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 law searches made by filing offices 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 \$1,000,000.00, the written policies acceptable to the beneficiary, with loss payable to the writer; all policies of insurance shall be delivered to the beneficiary as soon as received; if the grantor shall fail for any reason to procure any such insurance and 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 premium 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 as 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 said premises free from construction liens 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, maintenance 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, plus interest at the rate set forth in the note secured hereby, together with the other amounts described in paragraphs 6 and 7 of this trust deed, shall be added to and become 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 and attorney's fees actually incurred;

7. To appear in and defend any action or proceeding pertaining to affect the security rights or powers of beneficiary or trustee, and in any and all 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, 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 said property shall be taken under the rights 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 in compensation for such taking, 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 may 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 for endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may (a) consent to the mailing of any map or plat of the property; (b) join in

granting any easement or creating any restriction thereon; (c) file in any subdivision or other agreement affecting this deed or the title or charge thereto; (d) reconvey, without warranty, all or any part of the property. The grant in any reconveyance may be described as "the person or persons legally entitled thereto," and the recitals therein of any owners 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 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 said property or any part thereof, in his own name 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 said property, the collection of such rents, issues and profits, or the proceeds of any 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 his performance of any agreement hereunder, time 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 case an event the beneficiary at his election may 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 his trustee shall execute and cause to be recorded his written notice of default and intention to sell the said described real property to satisfy the obligation secured hereby, whereupon the trustee shall fix the time and place of sale, five notice, wherein the time and place of sale and price to foreclose this trust deed in the manner provided in ORS 86.735 to 86.755.

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 86.753, 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 in trust deed. In any case, in addition to curing the default or default, 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 fee, 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 and place and 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 parcels 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 as 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 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 trust deed as seller. Interest may appear in the order of their priority and (4) the remainder, if any, to the grantor or to his successor in interest entitled to such surplus.

16. Beneficiary may from time to time appoint a successor or successors to any trustee 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 succession shall be made by written instrument executed by beneficiary, and the instrument, in the microfilm 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 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 trust or of any action or proceeding in which trustee, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

NOTE: The Trust Deed Act provides that the trustee/borrower 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 893.305 to 893.505.

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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 from a person in a family position for the benefit of 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 pledgee, 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 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 striking out, whichever item(s) (a) or (b) is not applicable if warrant (b) is applicable and the beneficiary is a creditor or such word is defined in the Uniform Debtor-Creditor Act and regarding to the beneficiary. MUST comply with the Act and Regulation by making required disclosures; for loan purpose use Stevens-Deals Form No. 1315, or if loan is not in compliance with the Act do not record, disregard this notice.

If the signer of the above is a corporation, use the form of acknowledgement specified.

**STATE OF OREGON.**

County of Klamath

This instrument was acknowledged before me on May 14, 1997, by

Al Dailey, and Kate B. Dailey,  
his wife

(SEAL)

**STATE OF OREGON.**

County of

This instrument was acknowledged before me on

May 14, 1997, by

Kate B. Dailey

Notary Public for Oregon

My commission expires

(SEAL)

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, therefore, are directed, on behalf of to you of any sums owing to you under the terms of said trust deed in 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 receive, without warranty, from the parties designated by the terms of said trust deed the estate now held by you under the same. Full recovery and disbursements to

DATED:

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Beneficiary

**TRUST DEED**

(Form No. 201-1)

STEVENS-DEALS, PORTLAND, OREGON

Grantor

Beneficiary

AFTER RECORDING RETURN TO

Town, County, State  
P.O.B. 2160  
Klamath, Oregon 97601

SPACE RESERVED

FOR

RECORDER'S USE

Fee \$15.00

**STATE OF OREGON,**

County of Klamath

I certify that the within instrument

was received for record on the 23rd day

of May, 1997

at 10:00 o'clock A. M., and recorded

in book/reel/volume No. M97 on

page 15800 or as file/instrument/microfilm/reception No. 38116

Record of Mortgages of said County.

Witness my hand and seal of

County affixed

Bernetha G. Letsch, Co. Clerk  
Title  
*Deputy Clerk* Deputy

DECEASED PERSON'S NAME	DATE OF DEATH	
SOCIAL SECURITY NUMBER	Name _____ Date _____	
371-30-0143	May 17, 1997	
LAST KNOWN ADDRESS	PLACE OF DEATH	
1125 Klamath Falls, Oregon	Klamath Falls, Oregon	
FACILITY NAME (NAME OF THE MEDICAL FACILITY)	NAME OF DEATH	
Plumridge Care Center	Klamath Falls, Oregon	
DECEASED PERSON'S USUAL PLACE OF RESIDENCE	CITY OF DEATH	
1125 Klamath Falls, Oregon	Klamath Falls, Oregon	
TYPE OF DEATH (MURDER, HOMICIDE, ACCIDENT, SUICIDE, NATURAL DEATH, OTHER)	CAUSE OF DEATH	
Natural Death	Natural Death	
TELEPHONE NUMBER	RELATIONSHIP TO DECEASED	
Telephone Operator	Spouse	
RESIDENCE STATE	STREET AND NUMBER	
Oregon	Jack K. Haack	
INSIDE CITY LIMITS	CITY	
Yes (No) 87603	Klamath Falls	
FATHER'S NAME	INFORMANT NAME AND RELATIONSHIP TO DECEASED	
James R. Johnson	Karen Haack - Daughter	
CHILDREN'S NAMES	INFORMANT ADDRESS AND CITY OR FACILITY	
Karen Haack	O'Hair's Funeral Chapel	
METHOD OF PREPARATION	PLACE OF INSPECTION	
Cremation	Klamath Falls, OR 97601	
PERSON ACTING AS CUSTODIAN	INFORMANT SIGNATURE	
James R. Johnson	Karen Haack	
DATE FILED (MONTH DAY YEAR)	INFORMANT SIGNATURE	
May 21, 1997	Klamath Falls, OR 97601	
HOSPITAL REPRESENTATIVE NAME REQUEST FOR ANATOMICAL GIFT CONSENT? (YES / NO)	GIFT MADE? (YES / NO)	
Robert E. Johnson	NO	
TIME OF DEATH	TIME OF DEATH BY MEDICAL EXAMINER	
6:30 A.M. (Yes)	TIME PROCLAIMED DEAD (MONTH YEAR)	
The death of my husband, Robert E. Johnson, occurred on May 17, 1997, due to the disease of Alzheimer's Disease.	At the time of pronouncing death, the deceased was deceased.	
DATE SIGNED (MONTH YEAR)	COMMITTEE	
Robert E. Johnson	Klamath Falls, Oregon	
NAME, TITLE, BUSINESS AND ZIP CODE OF ATTENDING PHYSICAL EXAMINER (NAME OF PRACTICE)	IMMEDIATE CAUSE (ENTER ONLY ONE CHOICE PER LINE FOR PARTS 30 AND 31) (If more than one cause, list them in order of predominance)	
Robert E. Johnson	IMMEDIATE CAUSE (ENTER ONLY ONE CHOICE PER LINE FOR PARTS 30 AND 31) (If more than one cause, list them in order of predominance)	
IMMEDIATE CAUSE (ENTER ONLY ONE CHOICE PER LINE FOR PARTS 30 AND 31) (If more than one cause, list them in order of predominance)	IMMEDIATE CAUSE (ENTER ONLY ONE CHOICE PER LINE FOR PARTS 30 AND 31) (If more than one cause, list them in order of predominance)	
DUE TO, OR AS A CONSEQUENCE OF:	DUE TO, OR AS A CONSEQUENCE OF:	
(a)	(a)	
(b)	(b)	
(c)	(c)	
OTHER SIGNIFICANT CONDITIONS	OTHER SIGNIFICANT CONDITIONS	
Condition contributing to death and other conditions influencing death (FILL IN PART 30)	Condition contributing to death and other conditions influencing death (FILL IN PART 30)	
TIME OF DEATH	TIME OF DEATH	
DECEASED (1) Residing at home (2) Visiting home (3) Under medical care (4) Hospitalized (5) In a place of temporary confinement (6) Deceased (7) Not in body	TIME OF DEATH (1) Deceased (2) Visiting home (3) Under medical care (4) Hospitalized (5) In a place of temporary confinement (6) Deceased (7) Not in body	
DATE ISSUED	SIGNATURE	

THIS IS A TRUE AND EXACT COPY OF THIS DOCUMENT, REGISTERED AT THE OFFICE OF THE KLAATH COUNTY CLERK.

DATE ISSUED

STATE OF OREGON: COUNTY OF KLAATH: ss.

Filed for record at request of Karen Haack  
of May A.D. 19 97, at 10:02 o'clock A.M., and duly recorded in Vol. No. 1  
of Deeds on Page 15802

FEE \$10.00 RETURN: KAREN HAACK  
3105 Bisbee  
Klamath 97603

Boyd C. Smith, County Clerk  
Signature