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Vol M99 Page 14593



**TRUST DEED**

STATE OF OREGON.

County of \_\_\_\_\_

I certify that the within instrument  
was received for record on the \_\_\_\_\_ day  
of \_\_\_\_\_ at \_\_\_\_\_  
\_\_\_\_\_ o'clock \_\_\_\_\_ M., and recorded in  
book/reel/volume No. \_\_\_\_\_ on page  
\_\_\_\_\_ and/or as fee file instru-  
ment/microfilm reception No. \_\_\_\_\_  
Record of \_\_\_\_\_ of said County  
Witness my hand and seal of County  
affixed \_\_\_\_\_

NAME \_\_\_\_\_ TITLE \_\_\_\_\_  
By \_\_\_\_\_ Deputy \_\_\_\_\_

Harold D. Thornton  
23608 S.E. 286th St.  
Maple Valley, WA 98038

Grantor's Name and Address

Michael E. Long  
21065 N.W. Kay Rd.  
Hillsboro OR 97124

Beneficiary's Name and Address

After recording, return to (Name, Address, Zip):

Michael E. Long  
21065 N.W. Kay Rd.  
Hillsboro OR 97124

SPACE RESERVED  
FOR  
RECORDER'S USE

THIS TRUST DEED, made this 16th day of March 1999

Harold D. Thornton  
Aspen Title & Escrow

as Grantor  
as Trustee, and

Michael E. Long, Inc.

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 9, Block 33, Nimrod River Park, 4th Addition

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereto being or to be enjoyed 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 hereto, contact and liability shall be

Seven thousand three hundred and 00/00 (\$7,300.00)

note of even date heren th, payable to beneficiary or order and made by grantor, the final payment of principal and interest thereon not sooner paid, to be due and payable January 16th xxx 2011

To protect the security of this trust deed, grantor agrees

3. To protect, preserve and maintain the property in good condition and repair, not to remove or destroy anything of value thereon, not to commit or permit any waste of the property.

3. To complete or restore promptly and in good and habitable condition any building or improvement which may be lost, 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, and to pay or cause to be paid, or to request to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require, and to pay or file same in the proper public office or offices as well as the cost of all lien searches made by the beneficiary or its agents or agencies as may be deemed desirable by the beneficiary.

1. 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 shall insure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary to any and business secured hereby and in such order as beneficiary may determine; or at option of beneficiary the entire amount or any part thereof may be released to grantor. Such application or release shall not constitute a waiver or default of performance by the grantor, and in any and all done pursuant to such option.

10. To keep the property free from construction liens and to pay all taxes, assessments and other charges that may be assessed upon or against the property before any part of such taxes, assessments and other charges become past due, the grantor hereby promptly deliver receipts therefor to beneficiaries. Should the grantor fail to make payment of any taxes, assessments, insurance premiums or other charges payable by grantor either by direct payment or by providing beneficiaries 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 paragraph 9, shall be due together with the obligations described in paragraphs 6 and 7 of this trust deed, shall be added to the principal of the debt secured by this trust deed, without waiver of any rights arising from breach of any of the covenants hereinbefore made, and the grantor shall be deemed to have assigned the property hereinbefore described, as well as the grantor shall be bound to the extent of the property so assigned to the satisfaction of the debt secured by this trust deed, 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.

1. To pay all costs, fees and expenses of this trust including the cost of the search as well as the other costs of the trust, and to indemnify the trustee, its heirs, assigns and attorneys in enforcing this obligation and to stress and attorney fees against the trust.

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 enforcement of this trust or any suit or action related to this instrument, including but not limited to its validity and enforcement, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney fees, the amount of attorney fees paid and in this paragraph "in all cases shall be fixed by the trial court and in the event of an appeal from any judgment of the trial court, grantee further agrees to pay such amount as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney fees on appeal." It is mutually agreed that:

4. In the event that any portion or all of the property shall be taken under the right of eminent domain, or condemnation, or otherwise, the undersigned hereby agree that all or any portion of the moneys payable as compensation for such taking shall have the right of first refusal to purchase the property so taken.

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.

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

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 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 making of any map or plat of the property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereon; (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 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.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person, by agent or by attorney, 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, pending the payment of the debt due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, to the 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 proceedings to sue and the insurance policies or compensation or awards for any taking or damage of the property, and the application or release of the debt 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 herein, the trustee, being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereby to be due and payable. In such an event the beneficiary may elect to proceed to foreclose this trust deed in equity as a mortgage or as a deed of trust to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other right or remedy available by law, or equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the trustee or the trustee shall execute and cause to be recorded a written notice of default and election to sell the property, stating the amount secured hereby, whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law, and to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to the date of sale, the trustee may, at its option, elect to foreclose the sale, the grantor or any other person so privileged by ORS 86.735, may cure the default of default by payment of the debt due, or a failure to pay when due, sums secured by the trust deed, the default may be cured by paying the entire amount due, or a portion of the debt, or by tendering the performance required under the obligation of trust deed. In any case, in addition to curing the default, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in effecting the foreclosure of the trust deed together with trustee's and attorney's fees not exceeding the maximum 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 may be postponed as provided by law. The trustee may sell the property as the whole or as separate parcels and in lots, or the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall execute the deed of sale, and 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, with the proceeds of sale, payment of the costs and expenses of sale, including the compensation of the trustee and a reasonable charge by trustee's attorney, first, the obligation secured by the trust deed, (2) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed, in the order of their priority and (3) 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 trustee appointed hereunder, upon such appointment and without conveyance to the successor trustee, the trustee shall be deemed to have the 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 this deed, duly executed and acknowledged, is made a public record and provided that 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 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, and shall be, seized in the simple of the real property and has a valid, unencumbered title thereto, except as may be set forth in a addendum or amendments attached hereto, and that the grantor will warrant and forever defend, the same against all persons whomsoever.

**WARNING:** Unless grantor provides beneficiary with evidence of insurance coverage as required by the contract or loan agreement between them, beneficiary may purchase insurance at grantor's expense to protect beneficiary's interest. This insurance may, but need not, also protect grantor's interest. If the collateral benefits during the coverage purchased by beneficiary may not pay any claim made by or against grantor. Grantor may later cancel the coverage by providing evidence that grantor has obtained property coverage elsewhere. Grantor is responsible for the cost of any insurance coverage purchased by beneficiary, which cost may be added to grantor's contract or loan balance. If it is so added, the interest rate on the underlying contract or loan will apply to it. The effective date of coverage may be the date grantor's prior coverage lapsed or the date grantor failed to provide proof of coverage. The coverage beneficiary purchases may be considerably more expensive than insurance grantor might be able to obtain alone and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

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, and binds all parties hereto, their heirs, legatees, devisees, assigns, successors, personal representatives, successors and assigns. The term "beneficiary" shall mean the holder and owner of the mortgage or deed of trust secured hereby, whether or not named as a beneficiary herein.

In construing this trust deed, it is understood that the grantor, trustee and/or beneficiary may each 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 grantor's changes may be made, assumed and implied to make the provisions hereof apply equally to corporations and individuals.

**IN WITNESS WHEREOF**, the grantor has executed this instrument 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.

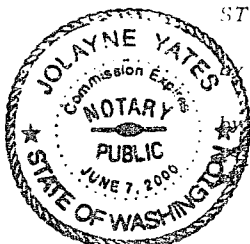
Washington

STATE OF OREGON/County of Clatsop

This instrument was acknowledged before me on

This instrument was acknowledged before me on

Harold D. Thornton



Notary Public for Oregon. My commission expires

STATE OF OREGON COUNTY OF CLATSOP

Filed for record at request of Michael Long

of April A.D. 1999 at 2:10 o'clock

of Mortgages

the 21st

P.M. and duly recorded in Vol. M99

on Page 14593

Linda Smith, County Clerk

FEF

\$15.00

by Michael Long