

MTL 60283 -TA

NOTICE REQUIRED BY REGULATION Z, SECTION 226.32(C): YOU ARE NOT REQUIRED TO COMPLETE THIS AGREEMENT MERELY BECAUSE YOU HAVE RECEIVED THESE DISCLOSURES OR HAVE SIGNED A LOAN APPLICATION. IF YOU OBTAIN THIS LOAN, THE LENDER WILL HAVE A TRUST DEED ON YOUR HOME. YOU COULD LOSE YOUR HOME, AND ANY MONEY YOU HAVE PUT INTO IT, IF YOU DO NOT MEET YOUR OBLIGATIONS UNDER THE LOAN. The annual percentage rate when calculated is 16.39% and the amount of the regular monthly payment is \$350.00.

TRUST DEED

THIS TRUST DEED, made this 27 day of March, 2003, between John M. Johnston as Grantor, **AMERITITLE**, as Trustee, and Lester Puckett and Leona Puckett, husband and wife, as Beneficiaries.

WITNESSETH:

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

A portion of Tract 25 of ALTAMONT SMALL FARMS, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a point in the Northerly boundary of Tract 25, ALTAMONT SMALL FARMS, SAID POINT BEING 528.0 FEET DISTANT westerly from the Northeasterly corner of said tract, and running West along said Northerly boundary line 132.0 feet; thence South 326.8 feet, more or less to a point in the Southerly boundary of said tract; thence East along said boundary of said tract 132.0 feet; thence North 325.6 feet to the point of beginning.

SUBJECT TO:

- (1) The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of South Suburban Sanitary District.
- (2) The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of Klamath Irrigation District.
- (3) The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of Klamath County Drainage District.
- (4) Any improvement located upon the insured property which is described or defined as a Mobile Home under the provisions of Chapters 803 and 820, Oregon Revised Statute, and is subject to registration as provided therein. Subject to the requirements and provisions of ORS Chapter 481 pertaining to the registration and transfer of ownership of a Mobile Home and any interest or liens disclosed thereby.

- (5) Reservations and restrictions as contained in Deed recorded in Volume 159, page 374, Deed Records of Klamath County, Oregon, to wit:

"Subject to all contracts with the United States of America, Klamath Water Users Association and Klamath Irrigation District relative to the reclamation and irrigation of said land and all rights of way heretofore granted or in use for roads, ditches and canals and easements therefore; and reserving to the grantors an easement and right of way for the purpose of constructing and maintaining an irrigation ditch along the boundary line or lines of the land herein described before." (Affects Tracts 1, 19, 20, 22, 23, 24, 25, 44 and 45, ALTAMONT SMALL FARMS)

- (6) Reservations and restrictions as contained in Deed recorded January 15, 1954 in Volume 265, page 66, Deed Records of Klamath County, Oregon, to wit:

"Subject to rights of way heretofore granted or in use at this time for roads, ditches and canals and easements therefore; and reserving to the grantors an easement and right of way for the purpose of constructing and maintaining an irrigation ditch along the boundary line or lines of the land herein before described." (Affects Easterly 151.2 feet of the Westerly 283.2 feet of Tract 25)

- (7) Limited Access provisions contained in Deed to the State of Oregon, by and through its Stat Highway Commission, which provided that no right of easement or right of access to, from or across the State Highway other than expressly therein provided for shall attach to the abutting property.

Recorded: August 7, 1996

Volume: M96, page 24124, Microfilm Records 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 connection with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of Seventeen Thousand Five Hundred Dollars and No Cents, with interest thereon according to the terms of a promissory note of even date herewith, and any subsequent loans or advances, made by grantor to beneficiary. The final payment of principal and interest hereof, if not sooner paid, is to be due and payable December 15, 2008. Time is of the essence of this Agreement.

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. 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 said property in good condition and repair; not to remove or demolish any building or improvement thereon; not to commit or permit any waste of said property.
2. To complete or restore promptly and in good and workmanlike manner 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 said 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 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 **full insurable value**, written in companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the

AFTER RECORDING RETURN TO:  
VAN VOORHEES, LARSON & KRIDER  
ATTORNEYS AT LAW  
298 NORTHWEST THIRD STREET  
PRINEVILLE, OREGON 97754

State of Oregon, County of Klamath  
Recorded 03/28/2003 10:57 A.M.  
Vol M03 Pg 18995-997  
Linda Smith, County Clerk  
Fec \$ 31 # of Pgs 3

beneficiary as soon as insured; 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 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 notice of default hereunder or invalidate any act done pursuant to such notice.

5. To keep said premises free from construction liens and encumbrances 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, 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 hereof 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 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 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 portion of the monies payable as 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 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 said 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 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 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 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 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 said 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 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 such 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 the trustee shall execute and cause to be recorded his written notice of default and his election to sell the said described real 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 86.735 to 86.795.

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 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 said sale may be postponed as provided by law. The trustee may sell said 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 its 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 recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, 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 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 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 grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

18. Upon payment of all sums secured hereby, Beneficiary will, at Grantor's sole expense execute all documents necessary to terminate this Trust Deed upon presentation by Grantor.

19. Notices hereunder or otherwise required by Beneficiary may be given to Grantor at the address set forth herein or such address as is later forwarded by Grantor to Beneficiary in writing. Notices by Beneficiary to Grantor are effective two (2) days after they are deposited with proper postage in the United States Postal Service correctly addressed.

20. Grantor hereby gives and grants to the trustee for the benefit of the beneficiary a security interest in the manufactured home hereinabove described to secure the payment of the note set forth hereinabove and agrees not to remove the manufactured home from the property and to execute all necessary documents to perfect the security interest given hereunder in favor of the trustee and beneficiary. This is otherwise subject to the other provisions of this agreement, including attorneys fees and the covenants and representations made by the grantor hereunder.

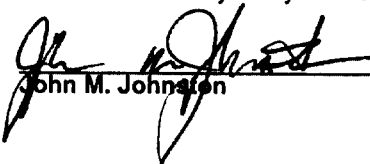
21. Grantors agree that any payment accepted by or on behalf of the Beneficiary herein do not waive the provisions of this Trust Deed or the obligation secured hereby making the time of the essence for performance of the Grantor's obligation under this Trust Deed as well as the Note secured hereby and requiring those obligations always to be made on time regardless of whether the payments have been made late in the past.

The grantor covenants and agrees to and with the beneficiary and those claiming under him, that the Grantor is lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto except as set forth hereinabove 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 primarily for grantor's personal, family or household purposes.

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 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.

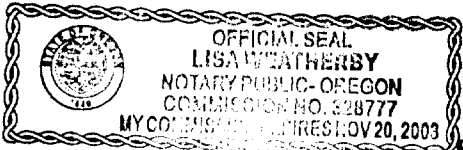
IN WITNESS WHEREOF, said grantor has hereunto set his hand the day and year first above written.

  
John M. Johnston

ADDRESS: 3216 Johns Avenue, Klamath Falls, OR 97603

STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on March 27, 2003, by John M. Johnston.



  
NOTARY PUBLIC FOR OREGON

**REQUEST FOR FULL RECONVEYANCE**  
(To be used only when obligations have been paid)

TO: **AMERITITLE**, 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 sums 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: \_\_\_\_\_.

\_\_\_\_\_  
Lester Puckett, Beneficiary

\_\_\_\_\_  
Leona Puckett, Beneficiary

Map & Tax Lot: R-3909-015CA-1800-000 & M-080834  
Ref No.: 579118 & 36259

**AFTER RECORDING RETURN TO:**  
VAN VOORHEES, LARSON & KRIDER  
298 N.W. Third, Prineville, OR 97754