

WTC-63849 TM

Vol M04 Page 01267

State of Oregon, County of Klamath
Recorded 01/09/2004 3:11 P m
Vol M04 Pg 01267-71
Linda Smith, County Clerk
Fee \$ 41.00 # of Pgs 5

After Recording Return To:
RICHARD SILVEUS
19560 Sprague River Road
Chiloquin, Oregon 97624
Mail all tax statements to:
ROBERT DeFRAYTES and MYRNA DeFRAYTES
PO Box 132
Bly, Oregon 97622
Consideration: \$180,000.00

TRUST DEED

GRANTORS: **ROBERT DeFRAYTES and MYRNA DeFRAYTES**
husband & wife
PO Box 132
Bly, Oregon 97622

TRUSTEE: AMERITITLE
300 KLAMATH AVENUE
KLAMATH FALLS, OR 97601

BENEFICIARY: **RICHARD SILVEUS**
19560 Sprague River Road
Chiloquin, Oregon 97624

THIS TRUST DEED, made this 7TH day of JANUARY, 2004,
between ROBERT DeFRAYTES and MYRNA DeFRAYTES, husband and wife, as
Grantors, AMERITITLE, as Trustee and RICHARD SILVEUS, 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:

**The property describe in Exhibit "A" attached hereto and made a
part hereof as if fully written herein,**

together with all and singular the tenements, hereitaments and appurtenances and all other
rights thereunto belonging or in anyway now or hereafter appertaining, and the rents,
issue 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 such agreement of
Grantor herein, contained and payment of the sum of ONE HUNDRED EIGHTY
THOUSAND DOLLARS (\$180,000.00), with interest thereon according to the terms of a
Promissory Note of even date herewith, payable to Beneficiary in order and made by
Grantor, the final payment of principal and interest hereof, if not sooner paid, to be due
and payable February 5, 2009.

The dates of maturity of the debt secured by this instrument is the date, noted
above, on which the final installment of the Note becomes due and payable. Should the
Grantor either agree to, attempt to, or actually sell, convey, or assign any part of the
property any part of Grantor's interest in it without 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 constitute a sale, conveyance and assignment.

To protect the security of this Trust Deed, Grantor agrees:

41.00

1. To protect, present 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 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 to pay for filing same in the property public official offices, as well as the cost of all lien searches made by the officers or searching agencies as may be deemed desirable by the Beneficiary.

4. To provide and continuously maintain insurance on the buildings new or hereafter erected on the property against loss or damage by them 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 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 may procure the same at Grantor's expense. The amount collected under any fire or other insurance policy may be applied by the Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or 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 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, loans 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 date 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 herein before described, as well as the Grantor, shall be bound to the same extent that they are bound for 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 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 sale and the Beneficiary's or Trustees 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 to 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, 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 court 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 the 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 and 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 the property of the Grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of the 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 \$5.00.

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 the 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, upon an 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 that was aforesaid, shall not cure or waive any default or notice of the fault 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 payments 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 whenever the Trustee shall fix the time and place of sale, give notice hereof as then required by law and proceed to foreclose the 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 five (5) days before the date the Trustee conducts the sale, the Grantor or any other person privileged by ORS 86.753, may cure the default or defaults. The Default consists of a failure to pay, when due, sums secured to 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 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 that shall be conclusive proof of the truthfulness thereof. Any person, excluding the Trustee, but including the Grantor and Beneficiary, may purchase at sale.

15. When Trustee sells pursuant to the powers provided herein, Trustee shall apply the proceeds of sale to payment of (1) the expense 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 interest may appear in the order of their priority and (4) the surplus if any, to the Grantor or to any successor in interest entitled to each surplus.

16. Beneficiary may from time to time appoint a successor or successors if any Trustee named herein or to any Successor Trustee appointed hereunder. Upon such appointments, and without conveyance to the Successor Trustee, the latter shall be vested with all 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 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.

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 has a valid, unencumbered title thereto, and that the Grantor will warrant and forever defend the same against all persons whomsoever.

This Deed applies to, inures to the benefit of and binds all parties

Dated: January 7th, 2004.

GRANTORS:

Robert DeFraytes
ROBERT DeFRAYTES
Rob & Myr

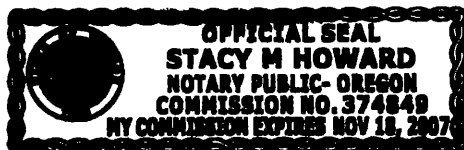
Myrna DeFraytes
MYRNA DeFRAYTES
Rob & Myr

BENEFICIARY:

Richard Silveus
RICHARD SILVEUS

STATE OF OREGON)
) ss.
County of ~~Coos~~ Klamath)

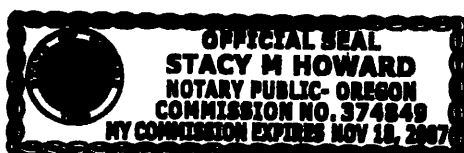
Subscribed and sworn to before me this 7th day of January, 2004 by ROBERT DeFRAYTES and MYRNA DeFRAYTES, husband and wife.



Stacy M. Howard
Notary Public for Oregon
My Commission Expires:

STATE OF OREGON)
) ss.
County of ~~Coos~~ Klamath)

Subscribed and sworn to before me this 7th day of January, 2004 by RICHARD SILVEUS.



Stacy M. Howard
Notary Public for Oregon
My Commission Expires: 11/18/07

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

Lots G and H, of NORTH BLY, and vacated Lots A, B, E and F of NORTH BLY according to the official plat thereof on file in the office of the County Clerk of Klamath County Oregon.

TOGETHER WITH that portion of GARDEN AVENUE adjoining said Lots and vacated by vacation order in Commissioner's Journal 21 at page 158 on January 16, 1952

PARCEL 2:

Lot C of NORTH BLY, according to the official plat thereof on file in the office of the County Clerk of Klamath County Oregon.

Tax Account No.:	3614-034DC-00300-000	Key No.:	365296
Tax Account No.:	3614-034DC-00100-000	Key No.:	365241
Tax Account No.:	3614-034DB-02000-000	Key No.:	365223
Tax Account No.:	3614-034DB-01900-000	Key No.:	365214