

2010-003192

Klamath County, Oregon



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03/11/2010 03:19:51 PM

Fee: \$47.00

Beneficiary's Name and Address

THOMAS L. STOUT and BETH E. STOUT
Husband and Wife
310 N. 5th Street
Port Hueneme, CA 93041

Grantor's Name and Address

STALEY JOSEPH INGRAM
28200 Hwy 140 W.
Klamath Falls, OR 97601

Trustee's Name and Address

FIRST AMERICAN TITLE INSURANCE COMPANY
404 Main Street
Klamath Falls, OR 97601

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

FIRST AMERICAN TITLE INSURANCE COMPANY
404 Main Street
Klamath Falls, OR 97601

Until requested otherwise, send all tax statements to:

FIRST AMERICAN TITLE INSURANCE COMPANY
404 Main Street
Klamath Falls, OR 97601

1st 1542889

TRUST DEED

THIS DEED OF TRUST, made this 8 day of March, 2010, between STALEY JOSEPH INGRAM, whose address is 28200 Hwy 140 W. Klamath Falls, OR 97601, hereinafter called GRANTOR and FIRST AMERICAN TITLE INSURANCE COMPANY, 404 Main Street, Klamath Falls, Oregon 97601 as TRUSTEE, and THOMAS L. STOUT and BETH E. STOUT, Husband and Wife, whose address is 310 N. 5th Street, Port Hueneme, CA 93041, 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 follows:

**LOT12, ODESSA SUMMER HOME SITES, according to
the official plat thereof of file in the office of the Clerk of
Klamath Falls, Oregon.**

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of **\$290,000.00 (Two Hundred Ninety Thousand Dollars)**, with interest thereon at 7%, (Seven Percent) per annum, and according to the terms of a promissory 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 April 10, 2030. There will be NO penalty for early payment or payoff of this trust deed.

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 nor 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 therefore.
3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so request, 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 replacement 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 said policies to the beneficiary at least 15 (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 other charges that may be levied or assessed upon or against said property, before such charges become past due or delinquent and promptly deliver receipts therefor to beneficiary. Should the grantor fail to make payment of any liens or other charges payable by grantor, either by direct payment or by providing beneficiary with the funds with which to make payment, beneficiary may at its option make payment thereof. The amount so paid, with interest at the rate set forth in this trust deed and the note secured hereby, together with the obligations described, in paragraphs 6, 7, 8 and 9 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 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 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 appeals 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.

8. To pay, in addition to the installments due under the promissory note described above, on a monthly basis, together with the installments thereof, a sum calculated as one-twelfth of the annualized real property taxes and one-twelfth of the annualized insurance required under the provisions of this trust deed, to the Beneficiary herein, which sum shall be paid over to the Beneficiary and thereafter paid by the Beneficiary prior to taxes being past due and insurance being subject to cancellation, the payments of which shall be added back to the balance of the promissory note due hereunder upon payment thereof, and the total payments of which may be adjusted December 1 of each year based upon any increase or decrease in the amounts reasonably contemplated to be due.

9. To pay any late fee and or attorney fee due to any late payment or non-payment of the promissory note and, upon failure thereof to remit Beneficiary may add the amount back onto the balance of the promissory note described herein.

It is mutually agreed that:

10. 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 proceeding, 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.

11. 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 reconveyance, 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 restrictions 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 \$5.00.00.

12. 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 of 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.

13. The entering upon and taking possession of said property, the collection of such rents, issues and profits, or the process of fire or 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.

14. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary at his/her election may proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose in this trust deed by advertisement and sale. In the latter event the beneficiary or the trustee shall execute and cause to be recorded his/her written notice of default and his/her 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.

15. After the trustee has commenced foreclosure by advertisement 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 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 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 amount provided by law.

16. 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 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 warrant, 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.

17. 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 interest 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.

18. 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.

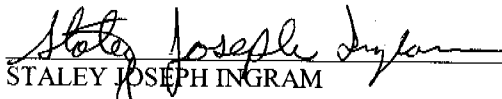
19. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

The grantor covenants and agrees to and with the beneficiary and beneficiary's successor in interest that the grantor is lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto subject to covenants, conditions, restrictions and easements of record and that he/she 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: ~~(a) for grantor's personal, family or household purposes; or,~~ (b) for business or commercial purposes.

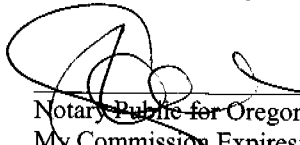
This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a beneficiary herein. In construing this 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 grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

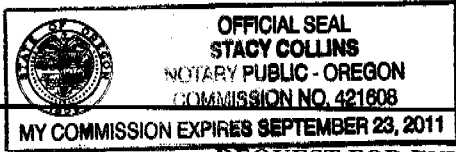
IN WITNESS WHEREOF, said grantor has hereunto set his and the day and year first above written.


STALEY JOSEPH INGRAM

STATE OF OREGON)
 : ss.
County of Klamath)

This instrument was acknowledged before me on this 8 day of March, 2010, by STALEY JOSEPH INGRAM


Notary Public for Oregon
My Commission Expires: 9-23-11



REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: FIRST AMERICAN TITLE INSURANCE COMPANY, 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: _____

THOMAS L. STOUT, Beneficiary

DATED: _____

BETH E. STOUT, Beneficiary