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RUST DEED  
67-577

67-591

THIS TRUST DEED, made this 22 day of May, 1967, between  
LILA E. CAILEY, a single woman

IRST FEDERAL SAVINGS AND LOAN ASSOCIATION of Klamath Falls, Oregon, a corporation organized and existing under the laws of the United States, as beneficiary; , as grantor, William Ganong, , as trustee, and

ITNESSETH:

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

Tract 147, PLEASANT HOME TRACT NO. 2, Klamath County, Oregon

which said described real property does not exceed three acres, together with all and singular the appurtenances, tenements, hereditaments, rents, issues, profits, water rights and other rights, easements or privileges now or hereafter belonging to, derived from or in anywise appertaining to the above described premises, and all plumbing, lighting, heating, ventilating, air-conditioning, refrigerating, watering and irrigation apparatus, equipment and fixtures, together with all curtains, venetian blinds, floor covering in place such as wall-to-wall carpeting and linoleum, shades and built-in ranges, dishwashers and other built-in appliances now or hereafter installed in or used in connection with the above described premises, including all interest therein which the grantor has or may hereafter acquire, for the purpose of securing performance of each agreement of the grantor herein contained and the payment of the sum of **FIVE THOUSAND AND NO/100** - - - - -

(\$ 5,000.00) Dollars, with interest thereon according to the terms of a promissory note or even 43-55 commencing  
beneficiary or order and made by the grantor, principal and interest being payable in monthly installments of 5 commencing  
June 20, 1967.  
Lender's new balance remaining in the reserve account shall be credited to the  
grantor's account in the amount of 5.

This trust deed shall further secure the payment of such additional money, if any, as may be loaned hereafter by the beneficiary to the grantor or others having an interest in the above described property, as may be evidenced by a note or notes. If the indebtedness secured by this trust deed is evidenced by more than one note, the beneficiary may credit payments received by it upon any of said notes or part of any payment on one note and part on another, as the beneficiary may elect.

The grantor hereby covenants to and with the trustee and the beneficiaries herein that the said premises and property, conveyed by this trust deed are free and clear of all encumbrances and that the grantor will and his heirs, executors and administrators shall, warrant and defend his said title thereto, against the claims of all persons whomsoever.

The grantor covenants and agrees to pay said note according to the terms thereof, and when due, all taxes, assessments and other charges levied against said property; to keep said property free from all encumbrances having precedence over this trust deed; to complete all buildings in course of construction hereafter constructed on said premises within six months from the date hereof or the date construction is hereafter commenced; to repair and restore promptly and in good workmanlike manner any building or improvement on said property which may be damaged or destroyed and pay, when due, all costs incurred therefore; to allow beneficiary to inspect said property at all times during construction; to replace any work or materials unsatisfactory to beneficiary within fifteen days after written notice from beneficiary of such fact; not to remove or destroy any building or improvements now or hereafter constructed on said premises; to keep all buildings, property and improvements now or hereafter erected upon said property in good repair and to commit no waste or waste of said premises; to keep all buildings, property and improvements now or hereafter erected on said premises continuously insured against loss by fire or such other hazards as the beneficiary may from time to time require, in a sum not less than the original principal sum of the note or obligation executed by this trust deed, in companies acceptable to the beneficiary, and to deliver the original policy of insurance in correct form and with approved loss payable in cash in favor of the beneficiary attached and with premium paid, to the principal place of business of the beneficiary at least fifteen days prior to the effective date of any such policy of insurance. If said policy of insurance is not so tendered, the beneficiary may in its own discretion obtain insurance for the benefit of the beneficiary, which insurance shall be non-cancellable by the grantor during the full term of the policy thus obtained.

In order to provide regularly for the prompt payment of said taxes, assessments or other charges and insurance premiums, the grantor agrees to pay to the beneficiary, together with and in addition to the monthly payments of principal and interest payable under the terms of the note or obligation secured hereby, an amount equal to one-twelfth (1/12th) of the taxes, assessments and other charges due and payable with respect to said property within each succeeding twelve months, and also one-thirtieth (1/30th) of the insurance premiums payable with respect to said property within each succeeding three years; while this trust deed remains in effect as estimated and directed by the beneficiary, such sum to be credited to the principal of the loan until required for the several purposes hereof and shall thereupon be charged to the principal of the loan; or if at the option of the beneficiary, the sum so paid, shall be held by the beneficiary in trust as a reserve account, without interest, to pay said premiums, taxes, assessments or other charges when they shall become due.

While the grantor is to pay any and all taxes, assessments and other charges levied or assessed against said property, or any part thereof, before the same begin to bear interest and also to pay premiums on all insurance policies upon said property, such payments are to be made through the beneficiaries hereinabove. The grantor hereby authorizes the beneficiaries to pay any and all taxes, assessments and other charges levied or assessed against said property in the amounts as shown by the statements of the same furnished by the collector of such tax, assessment, or other charge. And to pay the insurance premiums in the amounts shown on the statements submitted by the insurance carriers or their representatives, and to charge said sums to the principal or the loan or to withdraw the sum which may be required from the trust fund to account, if any, established for that purpose. The grantor agrees in no event to hold the beneficiary responsible for failure to have any insurance written or for any loss or damage growing out of a defect in any insurance policy, and the beneficiary is authorized, in the event of any loss, to compromise and settle with any insurance company and to apply any such insurance money to the payment of the obligations secured by this trust deed. In computing the amount of the indebtedness for payment and satisfaction in full upon sale or other acquisition of the property by the beneficiary after

, any balance remaining in the reserve account shall be credited to the account if the reserve account for taxes, assessments, insurance premiums and charges is not sufficient at any time for the payment of such taxes and become due, the grantor shall pay the deficit to the beneficiary upon and, if not paid within ten days after such demand, the beneficiary at its option add the amount of such deficit to the principal of the trust secured hereby.

Should the grantor fail to keep any of the foregoing covenants, then the beneficiary may at its option carry out the same, and all its expenditures thereon shall draw interest at the rate specified in the note, shall be repayable by the grantor on demand and shall be added to the sum of this trust deed. In connection, the beneficiary shall have the right in his discretion to complete improvements made on said premises and also to make such repairs to said property as in its sole discretion it may deem necessary or advisable.

The grantor further agrees to comply with all laws, ordinances, regulations, cants, conditions and restrictions affecting said property; to pay all costs, and expenses of this trust, including the cost of title search, as well as other costs and expenses of the trustee incurred in connection with or forcing this obligation, and trustee's and attorney's fees actually incurred; to appear in and defend any action or proceeding purporting to affect the secur-  
e or the rights or powers of the beneficiary or trustee; and to pay all  
and expenses, including cost of evidence of title and attorney's fees, in a  
sum to be fixed by the court, in any such action or proceeding,  
the beneficiary or trustee may appear and in any suit brought by bene-  
y to foreclose this deed, and all said sums shall be secured by this trust

The beneficiary will furnish to the grantor on written request therefor an annual statement of account but shall not be obligated or required to furnish further statements of account.

It is mutually agreed that:

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1. In the event that any portion or all of said property shall be taken by the right of eminent domain or condemnation, the beneficiary shall have the right to commence, prosecute in its own name, appear in or defend any action, proceeding, or to make any compromise or settlement in connection with taking and, if it so elects, to require that all or any portion of the money's value 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 the grantor in such proceedings, shall be paid to the beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees necessarily paid or incurred by the beneficiary in such proceedings, and the balance not so applied upon the indebtedness secured hereby; and the grantor agrees, at his own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon the beneficiary's

2. At any time and from time to time upon written request of the beneficiary, payment of its fees and presentation of this deed and the note or mortgage (in case of full recoverability, for cancellation), without notice to the trustee by any person for the payment of the indebtedness, the trustee may (a) make the granting of any map or plan of any property; (b) join in any subordination easement or creating and recording thereon; (c) join in any subordination agreement affecting this deed or the lien or charge hereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance shall be described as the "person or persons legally entitled thereto"; and the trustee, in record of any matters or facts shall be conclusive proof of the truth thereof. Trustee's fee for any of the services in this paragraph shall be \$5.00.

3. As additional security, grantor hereby assigns to beneficiary during the continuance of these trusts all rents, issues, royalties and profits of the property affected by this deed and of any personal property located theretofore. Until payment in full of any indebtedness secured hereby or in performance of any agreement hereunder, grantor shall have the right to collect all such rents, issues, royalties and profits earned prior to default as they become due and payable. Upon any default by the grantor hereunder, the 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 thereby secured, enter upon and take possession of all property, or any part thereof, in its own name sue for or otherwise collect all 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 the beneficiary may determine.

