

TRUST DEED

THIS TRUST DEED, made this 28 day of November, 1967, between
KENNETH E. LEE AND MYRA M. LEE, husband and wife

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

WITNESSETH:

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 29 of VILLA SAINT CLAIR, 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 awnings, 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 following:

each agreement of the grantor herein contained and the payment of the sum of FOUR THOUSAND EIGHT HUNDRED AND NO/100 (\$ 4,800.00) Dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable to the beneficiary or order and made by the grantor, principal and interest being payable in monthly installments of \$ 41.80 commencing December 5, 19 67.

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, 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 beneficiary 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 except the mortgage hereon; to complete all buildings in course of construction within six months after the date of completion of the construction hereof or the date construction is stopped; to 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 and expenses incurred by the beneficiary to inspect said property at all times during construction; to replace or improve any building or improvement on said property within fifteen days after written notice from beneficiary of such damage or destruction or destroy any building or improvements now or hereafter constructed on said property and replace or improve any improvements now or hereafter erected upon said property in good repair and to keep said property or no waste of said premises; to keep all buildings, property and improvements on said property insured by a policy of fire insurance continuously insured against loss by fire or such other hazards as the beneficiary or mortgagee may require, in a sum not less than the original principal sum of the note or obligation hereon by this deed, in a company or companies acceptable to the beneficiary, to deliver to the beneficiary the insurance policy or policies approved loss payable clause in favor of the beneficiary and to pay the premium paid, to the principal place of business of the beneficiary at least as soon as the premium is due and the effective date of any such policy of insurance. It is the policy of insurance is not to be cancelled or discontinued in his own discretion obtain insurance for the benefit of the beneficiary, which obligation shall not be 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 said aid in addition to the monthly payments of principal and interest payable under the terms of the note or notes so secured hereby, an amount equal to one-twelfth (1/12th) of the taxes, assessments and other charges so payable with respect to said property within each succeeding month twelfth, months, and one year thereafter; and 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 sums to be credited to the principal of the loan until required for the loan; or, at the option of the beneficiary, the sum so received by the beneficiary in trust as a reserve account, without interest, to pay said premium taxes, assessments or other charges when they shall become due and payable.

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 accrue, interest and to pay premiums on all insurance policies upon said property, such payments are to be made by the grantor as beneficiary, as aforesaid. The grantor hereby authorizes the beneficiary to pay said property taxes, assessments and other charges levied or imposed against the property, as shown by the statements thereof furnished by the collector of such taxes, assessments or other charges, 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 of the loan. The grantor agrees to reimburse the beneficiary for the reserve account if any, and to withdraw the sums which may be required from the reserve account if any, for the purposes aforesaid. The grantor agrees in no event to hold the beneficiary responsible for failure to follow any insurance policy, and the beneficiary hereby is authorized, in the event of any loss, to compromise or settle with any insurance company and to apply any insurance receipts upon the obligation of the grantor. The grantor agrees in computing the amount of the indebtedness for payment and satisfaction in full or upon sale or other acquisition of the property by the beneficiary, after

default, any balance remaining in the reserve account shall be credited to the indebtedness. If the reserve account for taxes, assessments, insurance premiums and other charges is not sufficient at any time for the payment of such charges as they become due, the grantor shall pay the deficit to the beneficiary upon demand, and if not paid within ten days after such demand, the beneficiary may at its option add the amount of such deficit to the principal of the obligation 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 therefor shall draw interest at the rate specified in the note, shall be repayable by the grantor on demand and shall be secured by the lien of this trust deed. In connection, the beneficiary shall have the right in its discretion to complete any 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.

[illegible]

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 any further statements of account.

It is mutually agreed that:

1. In the event that any portion of all said property shall be taken under the right of eminent domain or condemnation, the beneficiary shall have the right to commence, prosecute in its own name, appear in or defend against such taking and, if it so desires, to make any compromise or settlement in connection with such taking and, if it so desires, to pay for any portion of the money's payable as compensation for such taking, which are in addition to the costs incurred by the beneficiary in obtaining title to the property; and the attorney or attorneys for the beneficiary or incurred by the beneficiary for such taking, expenses and attorney's fees necessarily paid and applied by it first upon any reasonable costs shall be paid to the beneficiary for its defense and the payment of the same shall be made by the grantor to balance the credit of the beneficiary for its defense and the payment of the same at its own expense, to take such action as may be deemed necessary and proper, and, at its own expense, to take such action as may be deemed necessary and proper, and, if 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 for endorsement (in case of full cancellation), without affecting the liability of any person for the payment of the said trustee may (a) consent to the making of any map or plat of said property; (b) join in any assessment or creating and restriction thereon; (c) join in any subordination or other act affecting this deed or the lien or charge hereof; (d) recover, without warranty, all or any part of the property. The grantee in any recovery, once may be described as the "person or persons legally entitled thereto" and the recitals therein of any matters or facts shall be conclusive of the same and the trustee thereof. Trustee's fees for any of the services in this paragraph shall be \$500.

8. 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 persons or property located thereon, until the performance of any agreement hereunder, grantor shall have the right to collect and pay to himself all rents, issues and profits earned prior to default as they become due and payable. Upon default of 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 the security herein provided, enter upon the property, by agent or by a receiver as said property, or any part thereof, hereby secured, enter upon and take possession of the rents, issues and profits, including those past due and otherwise collected, and sue for and collect the same, less costs and expenses of operation and collection, including reasonable attorney's fees, and upon satisfaction of the indebtedness secured hereby, and in such order as the beneficiary may desire.

4. 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.

5. The grantor shall notify beneficiary in writing of any sale or contract for sale of the above described property and furnish beneficiary as a form supplied it with such personal information concerning the purchaser as would ordinarily be required of a new loan applicant and shall pay beneficiary a \$5.00 service charge.

6. Time is of the essence of this instrument and upon default by the grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable by delivery to the trustee of written notice of default and election to sell the trust property, which notice trustee shall cause to be duly filed for record. Upon delivery of said notice of default and election to sell, the beneficiary shall deposit with the trustee this trust deed and all promissory notes and documents evidencing expenditures secured hereby, whereupon the trustee shall fix the time and place of sale and give notice thereof as then required by law.

7. After default and any time prior to five days before the date set by the Trustee for the Trustee's sale, the grantor or other person so privileged may pay the entire amount then due under this trust deed and the obligations secured thereby (including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding \$50.00 each) other than such portion of the principal as would not then be due had no default occurred and thereby cure the default.

8. After the lapse of such time as may then be required by law following the recording of said notice of default and giving of said notice of sale, the trustee shall sell said property at the time and place fixed by him in said notice of sale, either as a whole or in separate parcels, and in such order as he may determine, at public auction to the highest bidder for cash, in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. The trustee shall deliver to the purchaser his 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 or facts shall be conclusive proof of the truthfulness thereof. Any person, including the trustee but including the grantor and the beneficiary, may purchase at the sale.

9. When the Trustee sells pursuant to the powers provided herein, the trustee shall apply the proceeds of the trustee's sale as follows: (1) To the expenses of the sale including the compensation of the trustee, and a reasonable charge by the attorney; (2) To the obligation secured by the trust deed; (3) To all persons having recorded liens subsequent to the interests of the trustee in the trust deed as their interests appear in the order of their priority; (4) The surplus, if any, to the grantor of the trust deed or to his successor in interest entitled to such surplus.

10. For any reason permitted by law, the 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 the beneficiary, containing reference to this trust deed and its place of record, which, when recorded in the office of the county clerk or recorder of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

11. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record, as provided by law. The 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 the grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by the trustee.

12. This deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees devisees, administrators, executors, successors and assigns. The term "beneficiary" shall mean the holder and owner, including pledgee, of the note 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/or neuter, and the singular number includes the plural.

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

Kenneth E. Lee (SEAL)

Myra M. Lee (SEAL)

STATE OF OREGON } ss.
County of Klamath }

THIS IS TO CERTIFY that on this 28 day of November, 1967, before me, the undersigned, a

Notary Public in and for said county and state, personally appeared the within named KENNETH E. LEE AND MYRA M. LEE, husband and wife

to me personally known to be the identical individual named in and who executed the foregoing instrument and acknowledged to me that they executed the same freely and voluntarily for the uses and purposes therein expressed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Mary J. Bultman
Notary Public for Oregon
My commission expires: 3/16/69

Loan No. _____	STATE OF OREGON } ss. County of Klamath }
TRUST DEED	I certify that the within instrument was received for record on the <u>30th</u> day of <u>November</u> , 19 <u>67</u> , at <u>10:42</u> o'clock A.M., and recorded in book <u>M.67</u> on page <u>9209</u> Record of Mortgages of said County.
TO FIRST FEDERAL SAVINGS & LOAN ASSOCIATION	Witness my hand and seal of County affixed.
Beneficiary	<u>DOROTHY ROGERS</u> County Clerk
After Recording Return To: FIRST FEDERAL SAVINGS 540 Main St. Klamath Falls, Oregon	By <i>Louise Mitchell</i> Deputy
\$ 3.00	

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: William Gmrong, 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.

First Federal Savings and Loan Association, Beneficiary

DATED: _____, 19____

by _____

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