

TRUST DEED

THIS TRUST DEED, made this 21st day of April, 1969, between

John W. Sullivan and Pearl T. Sullivan, husband and wife

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

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:

Beginning at an iron pin which lies West along the South line of Section 35, Township 38 South, Range 9 East of the Willamette Meridian, which line is also the center line of Shasta Way, a distance of 180.5 feet and North $0^{\circ} 11'$ East a distance of 30 feet from the iron pin which marks the Southeast corner of said Section 35 and running thence; continuing North $0^{\circ} 11'$ East parallel to the East line of said Section 35 a distance of 263.2 feet to an iron pin; thence West parallel to the South line of said Section 35 a distance of 150.5 feet to an iron pin, which is on the West line of Tract 68, of Fair Acres Subdivision; thence South $0^{\circ} 11'$ West along the West line of said Tract 68 and parallel to the East line of Section 35 a distance of 263.2 feet to an iron pin which is on the North right of way line of Shasta Way 30 feet Northerly from the South line of said Section 35; thence East along the North right of way line of Shasta Way, parallel to the South line of Section 35 a distance of 150.5 feet, more or less to the point of beginning, said tract being in Tract 68 of Fair Acres Subdivision in the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 35, Township 38 South, Range 9 East of the Willamette Meridian.

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

Eight Thousand and No/100

described premises, including all interest therein which the grantor has or may hereafter acquire, to the sum of Eight Thousand and No/100 (\$ 8,000.00) 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 \$ 63.30 commencing June 1, 19 69.

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 no 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 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, with respect to any 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 or hereafter constructed on said property, hereafter commenced; to repair and restore said property in good workmanlike manner any building or improvement on said property which may be damaged or destroyed; to keep said property at all times during construction; to replace any work or materials unsatisfactory to the beneficiary within fifteen days after written notice from beneficiary or hereafter; not to remove or alter any improvements on said property or hereafter; not to remove or alter any improvements on said premises; to keep all buildings and improvements now or hereafter erected upon said property in good repair and to commit or suffer no waste of said premises; to keep and maintain fire and theft insurance 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 amount of the note, with companies acceptable to the beneficiary, and to deliver the original policy of insurance in correct form and with approved loss payable clause in favor of the beneficiary at all times; to pay premiums paid, and to pay the cost of the policy of insurance, the beneficiary at least 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 full term of the policy of insurance, and shall not be liable to the grantor during the full term of the policy thus obtained.

"In order to provide security 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 secured by the principal and interest payable under the terms of the note or obligation secured hereby, an amount equal to one-twelfth of the principal of said note or obligation during twelve months, and also one-thirty-sixth (1/360th) of the insurance premium payable with respect to said property within each succeeding twelve years within which this trust deed remains in full force and effect, until the principal of the loan fully paid thereon, and the interest thereon, together with the 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 bear interest and also to pay premiums on all insurance policies upon said property, such payments shall be authorized, the beneficiary to pay the same, and all taxes, assessments and other charges levied or imposed against said property in the amounts as shown by the statements submitted by the carrier or carriers, or their representatives, and to pay the same, and to pay the insurance premiums in the amounts shown on the statements submitted by the carrier or carriers, or their representatives, and to charge the same against the current 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 to the property, and the beneficiary hereby is authorized, in the event of any loss, to compromise and settle with any insurance company and to apply on such insurance receipts upon the account of the indebtedness for payment and satisfaction of the same, and to receive the proceeds of the same, and to apply the same 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. In this 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.

The grantor or grantors agree to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; to pay all costs, taxes and expenses of this trust, including the cost of life insurance in connection with or in enforcing this obligation, and trustee's and attorney's fees actually incurred to appear in and defend against any suits, claims or proceedings brought by or against the beneficiary or beneficiaries, and to exercise all powers of the beneficiary or trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees, actually incurred in and about the exercise of the powers of the beneficiary or trustee which the beneficiary or trustee may appear in and in any suit brought by beneficiary to foreclose this deed, and all said sums shall be secured by this deed.

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:

11. In the event that any portion or all of 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 demand any action or proceedings in any court of competent jurisdiction, and shall have the right to take and defend, if it so elects, to require that all or any portion of the money payable as compensation for such taking, which are in excess of the amount required to pay any and all taxes and assessments on the property, be paid, and applied by the grantor in such proceedings, shall be paid to the beneficiary, and shall be applied by the beneficiary to the payment of the taxes and assessments and applied by it first upon any reasonable costs and expenses and attorney's fees necessary to prosecute such proceedings, and then to the payment of the balance thereof to the beneficiary, and the grantor agrees to indemnify and hold the beneficiary harmless from and against all costs and expenses and attorney's fees which may be applied upon the indebtedness secured hereby; and the grantor agrees to use its own expense, to take such actions and execute such instruments as may be necessary in obtaining such compensation, promptly upon the beneficiary's request.

[illegible]

3. As additional security, grantor hereby assigns to beneficiary during the continuance of the trusts all rents, issues, royalties and profits of the property affected by this deed and of any personal property located thereon. Until the grantor shall default in the payment of any indebtedness secured hereby, the performance of any agreement made by grantor, or the exercise of the right to convey, the rents, issues, royalties and profits earned prior to default as the same 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 being bound to exhaust the proceeds of the property so received, enter upon and take possession of and control the said property, or any part thereof, in its own name sue for or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of collection and otherwise, to the satisfaction of the beneficiary's fees, until any indebtedness secured hereby, and in such order as the beneficiary may determine.

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 on 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 of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding 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 trust deed; (4) The surplus, if any, to the grantor of the trust or order of their priority; (5) 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.

John W. Sullivan (SEAL)
Pearl T. Sullivan (SEAL)

STATE OF OREGON }
County of Klamath } ss.

THIS IS TO CERTIFY that on this 21st day of April 1969, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named John W. Sullivan and Pearl T. Sullivan, husband and wife

to me personally known to be the identical individual s 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.

James D. Bocchi
Notary Public for Oregon
My commission expires: 10-25-70

Loan No. _____

TRUST DEED

Grantor:
FIRST FEDERAL SAVINGS &
LOAN ASSOCIATION

After Recording Return To:
FIRST FEDERAL SAVINGS
540 Main St.
Klamath Falls, Oregon

(DON'T USE THIS
SPACE, RESERVED
FOR RECORDING
LABEL IN COUN-
TIES WHERE
USED)

STATE OF OREGON }
County of Klamath } ss.

I certify that the within instrument was received for record on the 23rd day of April 1969 at 11:11 o'clock A.M., and recorded in book M 69 on page 2967. Record of Mortgages of said County.

Witness my hand and seal of County affixed:

WM. D. MILNE

County Clerk

By: Casp. Wheeler Deputy

Fee \$ 3.00

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: William Ganong 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: _____