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THIS TRUST DEED, made this 21st day of October, 1971, between
EDMON L. SUMPTER and RUBY L. SUMPTER, husband and wife,
as Grantors,
3220 Delaware Street, Klamath Falls, Oregon, 97601 (Address)
Transamerica Title Insurance Co., as Trustee,
600 Main St., Klamath Falls, Oregon, 97601 (Address)
and United States National Bank of Oregon, Town & Country Branch, as Beneficiary,
3720 S. 6th St., Klamath Falls, Oregon, 97601 (Address).

Grantor conveys to Trustee in trust the following property not exceeding three acres in Klamath County, Oregon:

Lot 5 in Block 4 of FIRST ADDITION TO ALTAMONT AGRES, Klamath County, Oregon

together with all appurtenances, and all existing or subsequently erected or affixed improvements or fixtures, all of which is collectively referred to as the Property.

Beneficiary has loaned Grantors (Borrower) \$6,720.84
which is repayable with interest according to the terms of a promissory note dated the same as this deed, under which the final payment of principal and interest is due on or before Seven (7) years from date. The term "Indebtedness" as used in this deed shall mean (a) the principal and interest payable under the note, (b) any future amounts that Beneficiary may in its discretion loan to Borrower or Grantor, and (c) any sums paid or advanced by Beneficiary to discharge obligations of Grantor as permitted under this deed.

*Insert "Grantor" or the name of the borrower if different from Grantor.

This deed is given to secure payment of the Indebtedness and performance of all obligations of Grantor under this deed, and is given and accepted on the following terms:

1. Possession and Maintenance of the Property.

1.1 Until in default, Grantor shall remain in possession and control of the Property and to the extent that the Property consists of commercial improvements shall be free to operate and manage the Property and receive the proceeds of operation. The Property shall be maintained in good condition at all times; Grantor shall promptly make all necessary repairs, replacements and renewals so that the value of the Property shall be maintained, and Grantor shall not commit or permit any waste on the Property. Grantor shall comply with all laws, ordinances, regulations and private restrictions affecting the Property.

1.2 To the extent that the Property constitutes commercial property or a farm or orchard, Grantor shall operate the Property in such manner as to prevent deterioration of the land and improvements including fences, except for reasonable wear and tear from proper use, and to the extent that the land is under cultivation, shall cultivate or otherwise operate the Property according to good husbandry.

1.3 Grantor shall not demolish or remove any improvements from the Property without the written consent of Beneficiary.

2. Completion of Construction.

If some or all of the proceeds of the loan creating the Indebtedness are to be used to construct or complete construction of any improvement on the Property, the improvement shall be completed on or before six months from the date of this deed and Grantor shall pay in full all costs and expenses in connection with the work.

3. Taxes and Liens.

3.1 Grantor shall pay before they become delinquent all taxes and assessments levied against or on account of the Property, and shall pay as due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Beneficiary under this deed, except for the lien of taxes and assessments not delinquent and except as otherwise provided in 3.2.

3.2 Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Beneficiary's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within 15 days after the lien arises or, if a lien is filed, within 15 days after Grantor has notice of the filing, secure the discharge of the lien or deposit with Beneficiary cash or a sufficient corporate surety bond or other security satisfactory to Beneficiary in an amount sufficient to discharge the lien plus any costs, attorneys' fees or other charges that could accrue as a result of a foreclosure or sale under the lien.

3.3 The assessor or tax collector of the county in which the Property is located is authorized to deliver to Beneficiary a written statement of the property taxes assessed or owing at any time.

4. Insurance.

4.1 Grantor shall carry such insurance as Beneficiary may reasonably require. This shall include insurance on the Property against fire, additional risks covered by a standard endorsement for extended coverage, and such other risks as may be specified by Beneficiary including without limitation war risks. Insurance on the Property shall be carried in companies and under policies approved by Beneficiary and shall be for an amount equal to the remaining unpaid portion of the Indebtedness or the full insurable value of the Property, whichever is less, and an amount sufficient to comply with any co-insurance provision in any policy.

4.2 All policies of insurance on the Property shall bear an endorsement in a form satisfactory to Beneficiary making loss payable to Beneficiary and shall be deposited with Beneficiary. In the event of loss, Grantor shall immediately notify Beneficiary, who may make proof of loss if it is not made promptly by Grantor. Proceeds shall be paid directly to Beneficiary who may compromise with any insurance company and make a final settlement which shall be binding upon Grantor. Beneficiary may, at its election, apply the proceeds to the reduction of the Indebtedness or the restoration or repair of the Property.

4.3 At least 60 days prior to the expiration of any policy, a satisfactory renewal or substitute policy shall be secured by Grantor.

NOTE: The Trust Deed Act provides that the Trustee hereunder must be either an attorney, who is an active member of the Oregon State Bar, a bank, trust company or savings and loan association authorized to do business under the laws of Oregon or of the United States, or a title insurance company authorized to insure title to real property under the provisions of ORS Chapter 728, its subsidiaries, affiliates, agents or branches.

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with the appraiser now or hereafter, plumbing, lightening, air conditioning, with said premises or in any other manner \$90,000.00 the mortgagors and monthly payments of payment shall be the that may hereafter be made.

In addition to the mortgagors will each month prior to the date next due on the mortgage in trust to pay said taxes.

The mortgagors covenant that they have the right to encumbrances, including all real property taxes and assessments of any installment thereof; the all buildings in good repair and in a sum not less than \$90,000.00 the mortgagee attached to be de hereby secured or to rebuilding which may be held by the mortgagee shall draw interest until repaid at its option sue to collect ney's fee.