

as grantor, William Ganong, Jr., 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:

Lot 7, SUMMERS HEIGHTS, 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 grantor herein contained and the payment of the sum of FIFTEEN THOUSAND ONE HUNDRED & NO/100
(\$15,100.00) 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 \$ 100.50 commencing
July 15, 19 72

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 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 having precedence over this trust deed; to complete all buildings in course of construction or hereafter constructed on said premises within six months from the date

[illegible]

In order to provide regularly for the prompt payment of said taxes, assessments and other charges and insurance premiums, the grantor agrees to pay to the beneficiary, together with and in addition to the monthly payment 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 on the property within each succeeding three years or, if such sum shall be insufficient, one-twelfth (1/12th) of the property within each succeeding twelve months, and also one-thirtieth (1/30th) of the property within each succeeding year with respect to said property within each succeeding three years while the trust deed remains in effect, as estimated and directed by the beneficiary, such sum to be paid to the beneficiary in advance of the loan until required for the several purposes thereof and shall thereupon be applied to the payment of the loan; or, at the option of the beneficiary, the sums 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 and payable.

While the grantor is to pay any and all taxes, assessments and other charges levied or imposed against said property, or any part thereof, before the same begin to bear interest, the grantor hereby authorizes the beneficiary to pay the same by check or cash, and to execute all necessary documents and policies upon said property, such payments are to be made through the beneficiary, as aforesaid. The grantor hereby authorizes the beneficiary to pay any and all taxes, assessments and other charges levied or imposed against said property, and to execute all necessary documents and policies thereon, 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 grantor's account, and to receive the same, and to credit the same to the grantor's reserve account, if any, established for such purposes. The grantor agrees that in no event to hold the beneficiary responsible for failure to have the insurance written or for any loss or damage growing out of a defect in any policy, and the beneficiary hereby is authorized, in the event of any loss, to compromise and settle with any insurance carrier and to apply any such insurance receipts upon the obligations secured by this trust, and 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 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 further agrees to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; to pay all costs, taxes and assessments levied against or assessed upon said property, as well as the other costs and expenses incident to the carrying on of the business of said trust, including the cost of title search, as well as the cost of recording and filing of this deed, and to execute and record such instruments as may be required in enforcing this obligation, and trustee's and attorney's fees actually incurred; and to indemnify and hold harmless the beneficiary from and against all liability hereof or the rights or powers of the beneficiary in attempting to affect the security and expenses, including cost of evidence of title and attorney's fees in a suit brought by the beneficiary to enforce this obligation, or in proceeding in equity to foreclose this deed, and all said sums shall be secured by this trust 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:

In the event that any portion or all of said property is 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 any action or proceeding in any court of competent jurisdiction, and to settle and compromise such taking and, if it so elects, to require that all or any portion of the sum payable as compensation for such taking, which are in excess of the amount received by the beneficiary, be paid to the beneficiary. The amount so received or incurred by the grantor in such proceedings, and the attorney's fees necessarily paid and applied by it first upon any reasonable costs and expenses and attorney's balances applied upon the indebtedness of the beneficiary in such proceedings, and the cost of its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon the beneficiary's request, shall be paid to the beneficiary.

[illegible]

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 real estate properly located thereon. Until the 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. Grantor and defaulting agent or agents, if any, by their liability 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 assets of the trust, recover and take possession of the property hereinbefore assigned to said property; and pay to said property all rents, issues and profits, including those past due and accrued, less the same, less costs and expenses of operation and collection, including reasonable attorney's fees. Any indebtedness secured hereby, and in such order

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 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 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, 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 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.

John F. Gunter, Jr. (SEAL)
Randi D. Gunter (SEAL)

STATE OF OREGON }
County of Klamath } ss.

THIS IS TO CERTIFY that on this 13th day of June, 19 72, before me, the undersigned, a

Notary Public in and for said county and state, personally appeared the within named:

JOHN F. GUNTER, JR. AND RANDI D. GUNTER, 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.

STATE OF OREGON
(SEAL)

Sherald V. Brown
Notary Public for Oregon
My commission expires: 11-12-74

Loan No. _____

TRUST DEED

TO
FIRST FEDERAL SAVINGS &
LOAN ASSOCIATION
Beneficiary

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

(DON'T USE THIS
SPACE; RESERVED
FOR RECORDING
LABEL IN COUNTIES WHERE
USED.)

FEE \$ 4.00

STATE OF OREGON }
County of Klamath } ss.

I certify that the within instrument was received for record on the 14th day of JUNE, 19 72, at 10:21 o'clock AM., and recorded in book M 72 on page 6371. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

WM. D. MILNE

County Clerk

By *Hazel W. Craig*
Deputy

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 _____