

VA Form 28-6831e (Home Loan)
July 1964. Use Optional Section
1810, Title 48, U.S.C. Acceptable
to Federal National Mortgage
Association.

Vol. 77 Page 13218

CW-80204

OREGON

TRUST DEED

28-3840
This Trust DEED, made this 13th day of November, 1972, between

NORMAN S. ANDERSON and DIANNE S. ANDERSON, husband and wife, as GRANTOR,

TRANSAMERICA TITLE INSURANCE CO., as TRUSTEE,

and COMMONWEALTH, INC., an Oregon corporation, as BENEFICIARY.

WITNESSETH: Grantor irrevocably GRANTS, BARGAINS, SELLS, and CONVEYS, to TRUSTEE IN TRUST, WITH
POWER OF SALE, the property in Klamath County, Oregon, described as:

The E 1/2 of Lots 11 and 12 in Block 9 FAIRVIEW ADDITION NO. 2,
Klamath County, Oregon, (being a tract of land facing 55 feet
on Delta Street, by 100 feet deep.) in the City of Klamath Falls.

which said described real property does not exceed three acres, together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter appertaining, and the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power, and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues, and profits; and all fixtures now or hereafter attached to or used in connection with said real estate, and in addition thereto the following described household appliances, which are, and shall be deemed to be, fixtures and a part of the realty, and are a portion of the security for the indebtedness herein mentioned:

Also on: Carpet - Nylon

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor herein contained and payment of the sum of
 FOURTEEN THOUSAND TWO HUNDRED FIFTY AND NO/100 - - Dollars (\$14,250.00), with interest
 thereon according to the terms of a promissory note of even date herewith, payable to Beneficiary or order and made by Grantor,
 the final payment of principal and interest thereof, if not sooner paid, to be due and payable on the first day of November
 1997.

1. Privilege is reserved to prepay at any time, without premium or fee, the entire indebtedness or any part thereof not less
 than the amount of one installment, or one hundred dollars (\$100), whichever is less.

2. Grantor agrees to pay to Beneficiary as trustee (under the terms of this trust as hereinafter stated) in addition to the
 monthly payments of principal and interest payable under the terms of said note, on the first day of each month until said note
 is fully paid, the following sums:

- (a) An installment of the ground rents, if any, and of the taxes and special assessments levied or to be levied against the
 premises covered by this Trust Deed; and an installment of the premium or premiums that will become due and pay-
 able to renew the insurance on the premises covered hereby against loss by fire or such other hazard as may be required
 by Beneficiary in amounts and in a company or companies satisfactory to the Beneficiary; Grantor agreeing to deliver
 promptly to Beneficiary all bills and notices therefor. Such installments shall be equal respectively to one-twelfth
 (1/12) of the annual ground rent, if any, plus the estimated premium or premiums for such insurance, and taxes and
 assessments next due (as estimated by Beneficiary, and of which Grantor is notified) less all installments already paid
 therefor, divided by the number of months that are to elapse before one month prior to the date when such premium
 or premiums and taxes and assessments will become delinquent. Beneficiary shall hold such monthly payments in trust
 to pay such ground rents, premium or premiums, and taxes and special assessments before the same become delinquent.
- (b) The aggregate of the amounts payable pursuant to subparagraph (a) and those payable on the note secured hereby,
 shall be paid in a single payment each month, to be applied to the following items in the order stated:
 (I) ground rents, taxes, special assessments, fire and other hazard insurance premiums;
 (II) interest on the note secured hereby;
 (III) amortization of the principal of said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless paid prior to the due date of the
 next such payment, constitute an event of default under this Trust Deed.

3. If the total of the payments made under (a) of paragraph 2 preceding shall exceed the amount of payments actually made
 by Beneficiary as trustee for ground rents, taxes or assessments, or insurance premiums, as the case may be, such excess may be
 released, applied on any indebtedness secured hereby, or be credited by Beneficiary as trustee on subsequent payments to be made
 by Grantor for such items. If, however, such monthly payments shall not be sufficient to pay such items when the same shall
 become due and payable, then Grantor shall pay to Beneficiary as trustee any amount necessary to make up the deficiency within
 thirty (30) days after written notice from the Beneficiary stating the amount of the deficiency, which notice may be given by
 mail. If at any time Grantor shall tender to Beneficiary, in accordance with the provisions hereof, full payment of the entire
 indebtedness secured hereby, Beneficiary as trustee shall, in computing the amount of the indebtedness, credit to the account of
 Grantor any credit balance remaining under the provisions of (a) of paragraph 2 hereof. If there shall be a default under any
 of the provisions of this Trust Deed and thereafter a sale of the premises in accordance with the provisions hereof, or if the
 Beneficiary acquires the property otherwise after default, Beneficiary as trustee shall apply, at the time of the commencement
 of such proceedings, or at the time the property is otherwise acquired, the amount then remaining to credit of Grantor under (a)
 of paragraph 2 preceding, as a credit on the interest accrued and unpaid and the balance to the principal then remaining unpaid
 on said note.

4. At Beneficiary's option, Grantor will pay a "late charge" not exceeding four per centum (4%) of any installment when
 paid more than fifteen (15) days after the due date thereof to cover the extra expense involved in handling delinquent payments,
 but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless
 such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured hereby.

To Protect the Security of This Trust Deed, Grantor Agrees:

5. To protect, preserve and maintain said property in good
 condition and repair; not to remove or demolish any building
 or improvement thereon; not to commit or permit any waste
 of said property.

6. To complete or restore promptly and in good and work-
 manlike manner any building or improvement which may be
 constructed, damaged, or destroyed thereon, and pay when due
 all costs incurred therefor, and, if the loan secured hereby or
 any part thereof is being obtained for the purpose of financing
 construction of improvements on said property, Grantor
 further agrees:

(a) to commence construction promptly and to pursue
 same with reasonable diligence to completion in accordance
 with plans and specifications satisfactory to Beneficiary, and

(b) to allow Beneficiary to inspect said property at all
 times during construction. The Trustee, upon presentation
 to it of an affidavit signed by Beneficiary, setting forth facts
 showing a default by Grantor under this numbered paragraph,
 is authorized to accept as true and conclusive all facts and
 statements therein, and to act thereon hereunder.

7. To comply with all laws, ordinances, regulations, cove-
 nants, conditions and restrictions affecting said property.

8. To provide and maintain hazard insurance, of such type
 or types and amounts as Beneficiary may from time to time
 require, on the improvements now or hereafter on said prem-
 ises, and except when payment for all such premiums has here-
 tofore been made under (a) of paragraph 2 hereof, to pay
 promptly when due any premiums therefor; and to deliver all
 policies with loss payable to Beneficiary, which delivery shall constitute an assign-
 ment to Beneficiary of all return premiums. The amount
 collected under any fire or other insurance policy may be ap-
 plied by Beneficiary upon any indebtedness secured hereby and
 in such order as Beneficiary may determine, or at option of
 Beneficiary, the entire amount so collected, or any part thereof,
 may be released to Grantor. Such application or release shall
 not cure or waive any default or notice of default hereunder
 or invalidate any act done pursuant to such notice.

9. To keep said premises free from mechanics' liens and to
 pay all taxes, assessments and other charges that may be
 levied or assessed upon or against said property before any
 part of such taxes, assessments and other charges become past
 due or delinquent and promptly deliver receipts therefor to
 Beneficiary; should the Grantor fail to make payment of any
 taxes, assessments, insurance premiums, liens or other charges
 payable by Grantor, either by direct payment or by providing
 Beneficiary with funds with which to make such payment,
 Beneficiary may, at its option, make payment thereof, and the
 amount so paid, with interest at the rate set forth in the note
 secured hereby, together with the obligations described in para-
 graphs 10 and 11 of this Trust Deed, shall be added to and be-
 come a part of the debt secured by this Trust Deed, without
 waiver of any rights arising from breach of any of the cove-
 nants hereof and for such payments, with interest as afore-
 said, the property hereinbefore described, as well as the Gran-

tor, shall be bound to the same extent that they are bound for
 the payment of the obligation herein described, and all such
 payments shall be immediately due and payable without notice,
 and the nonpayment thereof shall, at the option of the Bene-
 ficiary, render all sums secured by this Trust Deed immedi-
 ately due and payable and constitute a breach of this Trust
 Deed.

10. To pay all costs, fees and expenses of this trust, includ-
 ing the cost of title search as well as the other costs and ex-
 penses of the Trustee incurred in connection with or in
 enforcing this obligation, and trustee's and attorney's fees
 actually incurred.

11. To appear in and defend any action or proceeding pur-
 porting to affect the security hereof or the rights or powers
 of Beneficiary, or Trustee; and to pay all costs and expenses,
 including cost of evidence of title and attorney's fees in a
 reasonable sum to be fixed by the Court, in any such action or
 proceeding in which Beneficiary or Trustee may appear, and
 in any suit brought by Beneficiary to foreclose this Trust Deed.

12. To pay at least ten (10) days before delinquency all
 assessments upon water company stock, and all rents, assess-
 ments and charges for water, appurtenant to or used in con-
 nection with said property; to pay, when due, all encum-
 brances, charges and liens with interest, on said property or
 any part thereof, which at any time appear to be prior or
 superior hereto; to pay all reasonable costs, fees, and expenses
 of this Trust.

13. Should Grantor fail to make any payment or to do any
 act as herein provided, then Beneficiary or Trustee, but with-
 out obligation so to do and without notice to or demand upon
 Grantor and without releasing Grantor from any obligation
 hereof, may: Make or do the same in such manner and to such
 extent as either may deem necessary to protect the security
 hereof, Beneficiary or Trustee being authorized to enter upon
 the property for such purposes; commence, appear in and de-
 fend any action or proceeding purporting to affect the security
 hereof or the rights or powers of Beneficiary or Trustee; pay,
 purchase, contest, or compromise any encumbrance, charge or
 lien which reasonably appears to be prior or superior hereto;
 and in exercising any such powers, incur any liability, expend
 whatever amounts are reasonably necessary therefor, includ-
 ing cost of evidence of title, and reasonable counsel fees.

14. To pay within thirty (30) days after demand all sums
 properly expended hereunder by Beneficiary or Trustee, with
 interest from date of expenditure at the rate provided for in
 the principal indebtedness, and the repayment thereof shall
 be secured hereby.

15. Grantor agrees to do all acts and make all payments
 required of Grantor and of the owner of the property to make
 said note and this Trust Deed eligible for guaranty or insur-
 ance under the provisions of Chapter 37, Title 38, United
 States Code, and agrees not to do, or cause or suffer to be done,
 any act which will void such guaranty or insurance during
 the existence of this Trust Deed.

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IT IS MUTUALLY AGREED THAT:

16. Should the property or any part thereof be taken or
 damaged by reason of any public improvement or condemna-
 tion proceeding, or damaged by fire, or earthquake, or in any
 other manner, Beneficiary shall be entitled to all compensa-
 tion and other payments or relief therefor, and shall

under, Beneficiary may declare all sums secured hereby im-
 mediately due and payable by delivery to Trustee of written
 notice of default and election to sell the trust property, which
 notice Trustee shall cause to be duly filed for record. If
 Beneficiary desires said property to be sold, it shall deposit
 with Trustee this Trust Deed and all promissory notes and
 documents evidencing expenditures secured hereby, whereupon

IT IS MUTUALLY AGREED THAT:

16. Should the property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, Beneficiary shall be entitled to all compensation, awards, and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceeding with such taking or compromise or settlement, in connection with such taking or damage. All such compensation, awards, damages, rights of action and proceeds, including the proceeds of any policies of fire and other insurance affecting said property, are hereby assigned to Beneficiary, who may after deducting therefrom all its expenses, including reasonable attorney's fees, apply all its moneys so received by it, at its option, either to the reduction of the damaged premises or to the reduction of the indebtedness. Grantor agrees to execute such further assignments of any compensation, award, damage, and right of action and proceeds as Beneficiary or Trustee may require.

17. That upon the request of the Beneficiary the Grantor shall execute and deliver a supplemental note or notes for the sum or sums advanced by the Beneficiary for the alteration, modernization, improvement, maintenance, or repair of said premises, for taxes or assessments against the same and for any other purpose authorized hereunder. Said note or notes shall be secured hereby on a parity with and as fully as if the advance evidenced thereby were included in the note first described above. Said supplemental note or notes shall bear interest at the rate provided for in the principal indebtedness and shall be payable in approximately equal monthly payments for such period as may be agreed upon by the Beneficiary and Grantor. Failing to agree on the maturity, the whole of the sum or sums so advanced shall be due and payable thirty (30) days after demand by the Beneficiary. In no event shall the maturity extend beyond the ultimate maturity of the note first described above.

18. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

19. That the lien of this instrument shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness or any part thereof secured hereby.

20. Should proceedings be instituted to register title of said property under any Land Title Law, Grantor will pay upon demand all sums expended by Trustee or Beneficiary, including reasonable attorney's fees, and forthwith deliver to Beneficiary all evidence of title.

21. At any time and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Trust Deed and the note for endorsement (in case of full reconveyance, for cancellation and retention), without affecting the liability of any person for the payment of the indebtedness, the Trustee may (a) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Trust Deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The Grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall be \$5.

22. 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 thereon. Until Grantor shall default in the performance of any agreement hereunder, Grantor by or in 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, save and excepting rents, issues, royalties, and profits arising or accruing by reason of any oil, gas, or mineral lease of said property. If Grantor shall default as aforesaid, Grantor's right to collect any of such moneys shall cease and Beneficiary shall have the right, with or without taking possession of the property affected hereby, to collect all rents, issues, and profits. Failure or discontinuance of royalties, issues, and profits. Failure or discontinuance of such moneys shall not in any manner affect the subsequent enforcement by Beneficiary of the right, power, and authority to collect the same. Nothing herein contained shall be, or be construed to be, an affirmation by Beneficiary of any tenancy, lease or option, nor an assumption of liability under, nor a subordination of the lien or charge of this Trust Deed to any such tenancy, lease or option.

23. Upon any default by Grantor hereunder, 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 hereby secured, enter upon and take possession of said property or any part thereof, in its own name, sue for or otherwise collect said 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 the indebtedness secured hereby, and in such order as Beneficiary may determine.

24. 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 to 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.

25. Upon default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement here-

under, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice of default and election to sell the trust property, which notice Trustee shall cause to be duly filed for record. If Beneficiary desires said property to be sold, it shall deposit with 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.

26. If after default and prior to the time and date set by the Trustee for the Trustee's sale, the Grantor or other person so privileged by ORS 86.760 pays the entire amount then due under the terms of this Trust Deed and the obligation secured thereby, other than such portion of the principal as would not then be due had no default occurred, the Grantor or other person making such payment shall also pay to the Beneficiary all of Beneficiary's costs and expenses incurred up to said time in enforcing the terms of the obligation, including Trustee's and attorney's fees not exceeding \$50 if actually incurred.

27. After the lapse of such time as may then be required by law following the recordation of said notice of default and the giving of said notice of sale, Trustee shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it 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 shall deliver to the purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in this Trust Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, excluding the Trustee, but including the Grantor and Beneficiary, may purchase at the sale.

28. When Trustee sells pursuant to the powers provided herein, Trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including a reasonable charge by the Trustee; (2) to the obligation secured by this Trust Deed; (3) to all persons having recorded liens subsequent to the interest of the Trustee in this Trust Deed as their interest may appear in order of their priority; and (4) the surplus, if any, to the Grantor or to his successor in interest entitled to such surplus.

29. For any reason permitted by law 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 under. 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 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.

30. (a) The waiver by Trustee or Beneficiary of any default of Grantor under this Trust Deed shall not be or be deemed to be a waiver of any other or similar defaults subsequently occurring.

(b) The pleading of any statute of limitations as a defense to any and all obligations secured by this Trust Deed is hereby waived, to the full extent permissible by law.

31. (a) In addition to any of the powers or remedies conferred upon the Trustee and the Beneficiary or either of them under this instrument, the Trustee and Beneficiary jointly, or either, may bring an action in the proper court for the foreclosure of this instrument as a mortgage, upon default, and upon proper proof obtain all the remedies in such action that are given by any statute or other law of the State of Oregon.

(b) No power or remedy herein conferred is exclusive of, or shall prejudice any other power or remedy of Trustee or Beneficiary.

(c) The exercise of any power or remedy on one or more occasions shall not exclude the future exercise thereof from time to time upon the conditions prescribed herein or by operation of law.

32. If a final decree in favor of plaintiff is entered in a suit brought to foreclose this Trust Deed, it may include a reasonable attorney fee as provided in the note secured hereby, but not in excess of the amount actually paid or unconditionally incurred by the proper plaintiffs.

33. This Trust Deed shall inure to and bind the heirs, legatees, devisees, administrators, executors, successors, and assigns of the parties hereto. All obligations of the Grantor hereunder are joint and several. The term "Beneficiary" shall mean the owner and holder, including pledgees of the indebtedness secured hereby, whether or not named as Beneficiary herein, and whether by operation of law or otherwise. When used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

34. Trustee accepts this Trust when this Trust Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Trust Deed or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be a party, unless brought by Trustee.

35. If the indebtedness secured hereby be guaranteed or insured under Title 38, United States Code, such Title and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of the parties hereto, and any provisions of this or other instruments executed in connection with said indebtedness which are inconsistent with said Title and Regulations are hereby amended to conform thereto.

36. This Trust Deed shall be construed according to the laws of the State of Oregon.

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

Norman S. Anderson [SEAL]
Dianne S. Anderson [SEAL]

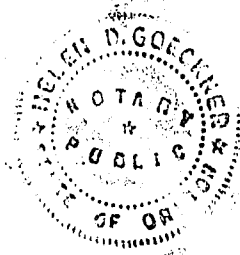
STATE OF OREGON,
COUNTY OF KLAMATH

November 13, 1972.

Personally appeared the above-named Norman S. Anderson & Dianne S. Anderson / and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:

Walter D. Buckner
Notary Public for the State of Oregon.

My commission expires: November 25, 1972



REQUEST FOR FULL RECONVEYANCE
To be used only when obligations have been paid.

TO: 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 are hereby 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.

Mail reconveyance and documents to

Dated, 19.....

Beneficiary.

Do not lose or destroy this Trust Deed OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.

COMMONWEALTH, INC.
P. O. Box 1603
Medford, Oregon 97501

FEE \$ 8.00

Trust Deed

Grantor.

Beneficiary.

ss:

STATE OF OREGON,
COUNTY OF KLAMATH

I certify that the within instrument was received for record on the 15th day of

NOVEMBER, 1972,

at 3:55 o'clock P.M., and recorded

in Book M 72 on page 13218

Return to:

Record of Mortgages of said County.

Witness my hand and seal of county affixed.

WM. D. MILNE
County Clerk-Recorder.

By *Harold Drazak* Deputy.

610 783-073