

10719

TRUST DEED

JAMES A. HOWARD AND WANDA M. HOWARD, husband and wife

WITNESSETH:

Lot 50 ELMWOOD PARK, Klamath County, Oregon.

described premises, including all interest therein which the grantor has or may hereafter acquire, to and for the use and behoof of the beneficiary herein named, the sum of SEVENTEEN THOUSAND AND NO/100 (\$17,000.00) 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 \$ 127.67 commencing September 15, 1973.

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 liens and encumbrances; to cause the completion of said improvements in course of construction in accordance with the plans and specifications of said premises within six months from the date of completion of the construction of said premises; to repair and to improve and hereof or the date construction is hereafter commenced; to repair and to improve promptly and in good workmanlike manner; to demolish and to remove and to destroy and pay, when due, all said property; to cause the completion of said improvements; to cause the completion of said improvements; to allow beneficiary to inspect said property at all times during construction; to replace any work or materials unsatisfactory to beneficiary within fifteen days after written notice in writing from beneficiary of construction on said premises; to keep all buildings and improvements now or hereafter erected upon said property in good repair and to cause the completion of said improvements; to keep all buildings, property and improvements now or hereafter erected upon said premises continuously insured against loss by fire or such other hazards as the beneficiary may from time to time require; to pay the principal and interest on said note or obligation in a sum not less than the original principal sum of said note or obligation; to deliver the original policy of insurance in correct form and with approved loss payable clause in favor of the business of the beneficiary at least premium paid; to deliver the policy to the effective date of any such policy of insurance; if said policy of insurance is not so tendered, the beneficiary may cause to be obtained a new policy of insurance in the name of the beneficiary, and such insurance 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 and other charges and insurance premiums, the grantor agrees to pay to the beneficiaries, to be collected with and in addition to the monthly payments 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 amount of said taxes, assessments and other charges and premiums with respect to said property within each succeeding month; and, also one-third-sixth (1/36th) of the insurance premiums payable with respect to said property within each succeeding three years; and, this trust deed remains in effect, as long as the principal of the loan until required for the redemption of the loan, and the principal of the loan shall be paid in full, and the purpose thereof and shall thereupon be charged to the principal of the loan; and, the principal of the loan shall be paid in full, and the purpose thereof and shall thereupon be charged to the principal of the loan; or, at the option of the beneficiary, the sums so paid shall be paid to the beneficiary in trust as a fund for the payment of interest to pay said taxes, assessments and 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 any property, or any part thereof, before charges levied or assessed against such property are to be made, the grantor hereby agrees to pay any and all taxes, assessments and other charges levied or imposed against the said property in the amounts as shown by the statements submitted by the insurance carriers or their representatives, and to charge said taxes, assessments and other charges to the amounts shown on the statements submitted by the insurance carriers or their representatives, and to charge said taxes, assessments and other charges to the amounts shown on the statements submitted by the principal of the loan or to the account established for that purpose. The grantor agrees to indemnify and hold the beneficiary harmless from and against all claims, suits, damages, losses and expenses, including reasonable attorney's fees, which may be incurred in or in event to hold the beneficiary responsible for failure to have any insurance policy, or any part thereof, in effect, or to pay any premium on any insurance policy, or any part thereof, or to pay any loss, to compromise and settle with any insurance company and to apply any insurance receipts upon the satisfaction 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.

[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 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 defend any action or proceedings, or to make any compromise or settlement in connection with such taking and, if it so elects, to require that all such portion of the money payable as compensation for such taking, which is in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by the grantor in such proceedings, shall be paid to the beneficiary and applied by it first and entirely to the payment of such costs, expenses and attorney's fees and the balance applied upon the Indemnities secured hereby; and the grantor agrees, at its own expense, to take such actions and execute such documents as shall be 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 enforcement (in case of full reconveyance, for cancellation of the deed) to the trustee may (a) consent to the making of any map or plat of said property; (b) join in granting any easement or other interest in said property; (c) join in releasing any claim or demand affecting this deed or the lien or charge hereof; (d) reconvey to the grantor the deed or deeds heretofore legally entitled thereto; and (e) without warranty, all or any part of the property. This deed and the note and the recitals thereof, its terms and conditions, and the contents of this paragraph shall be conclusive proof of the truthfulness thereof. Trustee's fees and costs of the services in this paragraph shall be paid by the beneficiary.

shall be \$3.00.

3. As additional security, grantor hereby assigns to beneficiary during the continuance of these trusts all rents, issues, royalties and profits of the property owned by the trust and of any personal property located thereon. Until grantor shall default in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, grantor shall retain sole control over the management and operation of said property and shall collect the same and pay the same as and when 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 receiver appointed by a court, and without liability to the grantor, enter upon and take possession of security for the performance of the obligations herein secured, and collect the same, or any part thereof, in its own name sue for or otherwise collect the same, and receive the proceeds of such collection; and it is further agreed that the rents, issues and profits, including those past due and unpaid, and applying to the principal of the indebtedness secured hereby, and in addition thereto the same, less costs and expenses of collection, shall be paid to the beneficiary in full until the indebtedness secured hereby, and in such order as the beneficiary may determine.



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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 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 interest 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 pledgees, 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.

*James A. Howard* (SEAL)  
*Wanda M. Howard* (SEAL)

STATE OF OREGON } ss.  
County of Klamath

THIS IS TO CERTIFY that on this 9 day of August, 19 73, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named JAMES A. HOWARD AND WANDA M. HOWARD, 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. Bozchi*  
Notary Public for Oregon  
My commission expires: 10-25-74

(SEAL)

Loan No. \_\_\_\_\_

**TRUST DEED**

Grantor

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 } ss.  
County of Klamath

I certify that the within instrument was received for record on the 13th day of AUGUST, 19 73, at 12:55 o'clock P. M., and recorded in book M 73 on page 10719 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

WM. D. MILNE

County Clerk

By

*Hazel Draxie* 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

by \_\_\_\_\_

DATED: \_\_\_\_\_, 19 \_\_\_\_\_