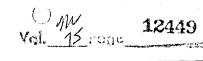
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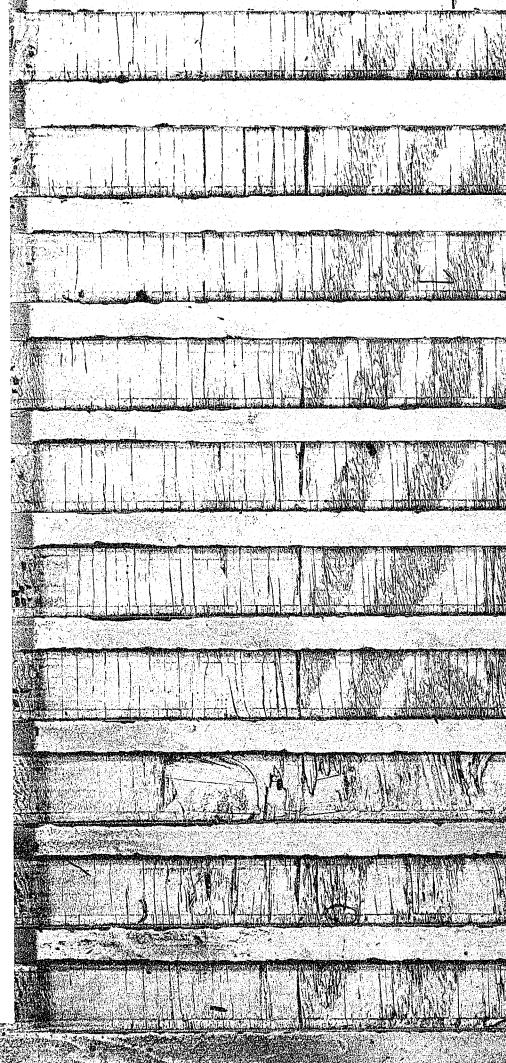


STATE OF OREGON FHA FORM NO. 2169t Rev. April 1971

This form is used in connection with deeds of trust insured under the one-to four-family provisions of the National Housing Act.

DEED OF TRUST

THIS DEED OF TRUST, made this 8 day of October , 1975,	
petweenDAVID R. SAKACH AND PATRICIA SAKACH, Husband and Wife	
, as grantor,	
whose address is 1858 Ivory Street Klamath Falls, State of Oregon, (Street and number) (City)	
First National Bank of Oregon, Headquarters	
, as Beneficiary.	
WITNESSETH: That Grantor irrevocably GRANTS, BARGAINS, SELLS and CONVEYS to TRUSTEE IN TRUST, WITH	
WITNESSETH: That Grantol interocably GRANTS, BARGAINS, SELES and CONVETS to TROSTED IN TROST, WITNESSETH: That Grantol interocably GRANTS, BARGAINS, SELES and CONVETS to TROSTED IN TROST, WITNESSETH: The PROPERTY IN County, State of Oregon, described as:	
The Northerly 65 feet of TRACT 50, PLEASANT HOME TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon	
Together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in anywise appertaining, 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. TO HAVE AND TO HOLD the same, with the appurtenances, unto Trustee. The above described property does not exceed three acres. FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor herein contained and payment of the sum of \$ 18,500.00 with interest thereon according to the terms of a promissory note, dated October 8 1005 1006 1007 1008 1009	
not sooner paid, shall be due and payable on the first day of November. , 1995. 1. Privilege is reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity: Provided, however, That written notice on an intention to exercise such privilege is given at least thirty (30) days prior to prepayment; and provided further. That in the event this debt is paid in full prior to maturity and at that time it is insured under the provisions of the National Housing Act, all parties liable for the payment of same, whether principal, surety, guarantor or endorser, agree to be jointly and severally bound to pay to the holder of the note secured hereby an adjusted premium charge of one per centum (1%) of the original principal amount thereof, except that in no event shall the adjusted premium exceed the aggregate amount of premium charges which would have been payable if this Deed of Trust and the note secured hereby had continued to be insured until maturity; such payment to be applied by the holder thereof upon its obligation to the Secretary of Housing and Urban Development on account of mortgage insurance. 2. Grantor agrees to pay to Beneficiary 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 amount sufficient to provide the holder hereof with funds to pay the next mortgage insurance premium if this instrument and the note secured hereby are insured, or a monthly charge (in lieu of a mortgage insurance premium) if they are held by the Secretary of Housing and Urban Development as follows: (I) If and so long as said note of even date and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the holder one (1) month prior to its due date the annual mortgage insurance premi	
special assessments, before the same become delinquent; and (c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid each month in a single payment to be applied by Beneficiary to the following items in the order set forth: (I) premium charges under the contract of insurance with the Secretary of Housing and Urban Development, or monthly charge (in lieu of mortgage insurance premium), as the case may be;	



(III) interest on the note secured hereby; and
(IV) amortization of the principal of the said note.

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

3. In the event that any payment or portion thereof is not paid within fifteen (15) days from the date the same is due, Grantor agrees to pay a "late charge" of two cents (24) for each dollar so overdue, if charged by Beneficiary.

4. If the total of the payments made by Grantor under (b) of paragraph 2 preceding shall exceed the amount of payments actually made by Beneficiary for ground rents, taxes or assessments, or insurance premiums, as the case may be, such excess, at the option of Beneficiary, shall be credited by Beneficiary on subsequent payments to be made by Grantor, or refunded to Grantor. If, however, the monthly payments made under (b) of paragraph 2 preceding shall not be sufficient to pay ground rents, taxes, and assessments, and insurance premiums, as the case may be, when the same shall become due and payable, then Grantor shall pay to Beneficiary any amount necessary to make up the deficiency on or before the date when payment of such ground rents, taxes, assessments, or insurance premiums shall be due. If at any time Grantor shall tender to Beneficiary, in accordance with the provisions hereof, full payment of the entire indebtedness secured hereby, Beneficiary shall, in computing the amount of indebtedness, credit to the account of Grantor all payments made under the provisions of (a) of paragraph 2, which the Beneficiary has not become obligated to pay to the Secretary of Housing and Urban Development, and any balance remaining in the funds accumulated under the provisions of (b) of paragraph 2 hereof. If there shall be a default under any of the provisions of this Deed of Trust and thereafter a sale of the premises in accordance with the provisions hereof, or if the Beneficiary acquires the prope

5. To keep said premises in as good order and condition as they now are and not to commit or permit any waste thereof,

5. To keep said premises in as good order and condition as they now are and not to commit or permit any waste thereof, reasonable wear and tear excepted.

6. To complete or restore promptly and in good workmanlike 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 in any event within 30 days from the date of the commitment of the Department of Housing and Urban Development, and complete same in accordance with plans and specifications satisfactory to Beneficiary,

(b) to allow Beneficiary to inspect said property at all times during construction,

(c) to replace any work or materials unsatisfactory to Beneficiary, within fifteen (15) calendar days after written notice from Beneficiary of such fact, which notice may be given to the Grantor by registered mail, sent to his last known address, or by personal service of the same, service of the same,

(d) that work shall not cease on the construction of such improvements for any reason whatsoever for a period of fifteen (15)

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. Not to remove or demolish any building or improvement thereon.

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8. To comply with all laws, ordinances, regulations, convenants, conditions, and restrictions affecting said property.

9. To provide and maintain insurance against loss by fire and other hazards, casualties, and contingencies including war damage as may be required from time to time by the Beneficiary in such amounts and for such periods as may be required by the Beneficiary which loss payable to the Beneficiary and Grantor, as their interests may appear, and to deliver all policies to Beneficiary, which delivery shall constitute an assignment to Beneficiary of all return premiums.

10. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and should Beneficiary or Trustee elect to also appear in or defend any such action or proceeding, to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum incurred by Beneficiary or Trustee.

11. To pay at least 10 days before delinquency all assessments upon water company stock, and all rents, assessments and charges for water, appurtenant to or used in connection with said property; to pay, when due, all encumbrances, 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 costs, fees, and expenses of this Trust. If after notice of default, the Grantor prior to trustee's sale pays the entire amount then due, to pay in addition thereto, all costs and expenses actually incurred, and trustee's and attorney's fees actually incurred, not exceeding \$50.00.

12. To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the rate provided on the principal debt, and the repayment thereof shall be secured hereby.

13. To do all acts and make all payments required of Grantor and of the owner of the property to make said note

IT IS MUTUALLY AGREED THAT:

IT IS MUTUALLY AGREED THAT:

14. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without 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 defend 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 in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor, including costs of evidence of title, employ counsel, and nay his reasonable fees.

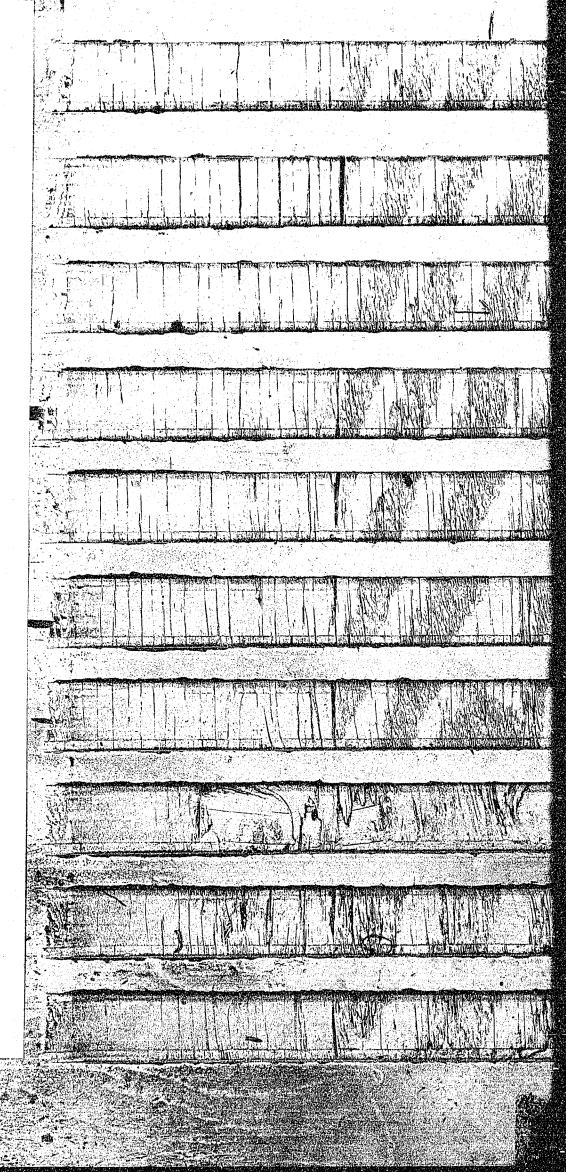
encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor, including costs of evidence of title, employ counsel, and pay his reasonable fees.

15. 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 proceedings, or to make any 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 tits expenses, including attorney's fees, release any moneys so received by it or apply the same on any indebtedness secured hereby, carnot agrees to execute such further assignments of any compensation, award, damage, and rights of action and proceeds as Beneficiary or Trustee may require.

16. 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.

17. At any time and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Deed and the note for endorsement (in case of full reconveyance, for cancellation afteration), without affecting the liability of any person for the payment of the indebtedness Trustee may (a) consent to the making of any map or plat of said property; (b) join in granting any easternet or creating any restriction thereon; (c) join in any subordination or othe

should this Deed and said note not be eligible for insurance under the National Housing Act within three months from the date hereof (written statement of any officer of the Department of Housing and Urban Development or authorized agent of the Secretary of Housing and Urban Development dated subsequent to months' time from the date of three



this Deed, declining to insure said note and this Deed, being deemed conclusive proof of such ineligibility), or should the commitment of the Department of Housing and Urban Development to insure this lean cease to be in full force and effect for any reason whatsoever, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale, and of written notice of default and of election to cause the property to be sold, which notice Trustee shall cause to be duly filed for record. Beneficiary shall also deposit with Trustee this Deed, the note and all documents evidencing expenditures secured hereby.

21. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Grantor, 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 (but subject to any statutory right of Grantor to direct the order in which such property, if consisting of several known lots or parcels, shall be sold), at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and afrom time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the perchaser its Deed 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, including Grantor, or Beneficiary, may purchase at the sale. After deducting all costs, fees, and expenses of Trustee and of this trust, including cost of title evidence and reasonable attorney's fees, in connection with sale,

Das B	Schail		Patricia da	bach
DAVID R. SAKACH		Signature of Grantor.	PATRICIA SAKACH	Signature of Grantor.
STATE OF OREGON COUNTY OF	ss:			

A Notary , hereby certify that on this October , 19 75, personally appeared before me ----day of _ ----- Tavid R. Sakach and Patricia Sakach, husband and wife-----

to me known to be the individual described in and who executed the within instrument, and acknowledged that -----they---- signed and sealed the same as --their-free and voluntary act and deed, for the uses and purposes

therein mentioned.

Given under my hand and official seal the day and year last above written.

in and for the State of Oregon.

2-3-79 My commission expires _

REQUEST FOR FULL RECONVEYANCE

Do not record. To be used only when note has been paid.

To: TRUSTEE.

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated		, 19		•
Mail reconveyance to				
STATE OF OREGON COUNTY OF	ss:		Oat	

I hereby certify that this within Deed of Trust was filed in this office for Record on the 8th OCTOBER , A.D. 19 75 , at1;43 o'clock M., and was duly recorded in Book M 75 OCTOBER KLAMATII of Record of Mortgages of County, State of Oregon, on 12449

> WM. D. MILNE COUNTY CLERK Recorder. FEE \$ 9.00

Neturn to 1st National Beach of Over, Klamath Sall Over 97601

