

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:

Lots 17 and 18, LOST RIVER COURT ADDITION to the City of Merrill, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

which said described real property is not currently used for agricultural, timber or grazing purposes.

which said described real property is not currently used for agricultural, industrial or other purposes together with all and singular the appurtenances, tenements, hereditaments, rents, issues, profits, water 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, vegetation, blinds, floor covering in place such as wall-to-wall carpeting and linoleum, shades and 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 THIRTEEN THOUSAND AND NO/100 (\$13,600.00) 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 \$ 114.15 commencing March 1st, 19 76

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 note or notes. If the indebtedness secured by this trust deed is evidenced by note or notes, the beneficiary may credit payments received by it upon any of said note 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 late charges and other charges levied against said property and to pay the said property taxes from all accumulations having been received by this trust deed; to complete all buildings in course of construction hereafter constructed on said premises after commenced; to repair and restore hereof or the buildings thereon in good workmanlike manner any building or improvement on said premises which may be damaged or destroyed; to inspect said property at all costs incurred hereunder to allow beneficiary to inspect said property at all costs incurred hereunder; to replace any work or materials unsatisfactory to beneficiary within fifteen days after written notice from beneficiary of such defect; not to remove or alter any building or improvements now or hereafter constructed on said premises; to keep all buildings and improvements now or hereafter erected upon said property in good repair and to keep the same insured for no waste of said premises; to keep all premises continuously insured against loss now or hereafter by fire, theft, lightning, explosion, flood, windstorm or other hazards as the beneficiary may from time to time direct in writing; to pay the cost of such insurance in full from time to time in a sum not less than the original cost of such insurance or obligation secured by this deed; to pay the original policy of insurance in correct form and with all endorsements to the beneficiary; to pay the cost of such insurance in full with approved loss payable clause in favor of business of the beneficiary at least premium paid, to the extent of the effective date of any such policy of insurance. If the policy of insurance is not so tendered, the beneficiary, which insurance shall obtain certain insurance policy of the beneficiary, which insurance shall be non-cancelable by the grantor during the full term of the policy thus obtained.

[illegible]

While the grantor is to pay any and all taxes, assessments and other charges levied or assessed against said property, or any part thereof, before the same begin to bear interest and also to pay premiums on all insurance policies upon said property, such payments are to be made through the beneficiary. The grantor hereby authorizes the beneficiary to pay any and all taxes, assessments and other charges levied or imposed against said property, the amounts as shown by the statements thereof furnished by the collector of such taxes, assessments or other charges, and to pay the insurance premiums on the amounts shown on the statements submitted by the insurance carriers or their representatives and to withdraw the sums which may be required from the reserve account, if any, established for that purpose. The insurance company is hereby authorized, if necessary, to execute any insurance policy, and the beneficiary hereby is authorized, in the event of any loss, to compromise and settle with any insurance company and to accept the proceeds of such compromise or settlement, and to discharge and extinguish the obligations secured by this trust deed, by depositing 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 any authorized reserve account for taxes, assessments, insurance premiums and other charges is not sufficient at the time for the payment of such charges as they become due, the grantor shall, at the time default 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 in 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 repaid by the grantor on demand and shall be secured by the lien of this 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:

[illegible]

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 endorsement (in case of full reconveyance) for cancellation), without affecting the obligation of the beneficiary 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 and restriction thereon; (c) release or discharge the lien or charge hereof; (d) reconvey, or other agreement affecting the property, to the grantee, or to the grantee and any other persons, or to any of them, or to any of the persons named in the recitals herein, all or any part of the property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto" and may be described as the "person or persons legally entitled thereto" and the recitals therein of any matters or facts shall be the conclusive proof of the truthfulness thereof. Trustee's fees for any of the services in this paragraph

[illegible]

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 recordation 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 date of the trustee's sale 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.

Michael E. Kenyon (SEAL)

Rowena E. Kenyon (SEAL)

STATE OF OREGON } ss.
County of Klamath

THIS IS TO CERTIFY that on this 22nd day of January, 1976, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named MICHAEL E. KENYON and ROWENA E. KENYON, Husband and Wife to me personally known to be the identical individual 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 WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

(SEAL)

Notary Public for Oregon
My commission expires: 11-12-78

Loan No. _____		STATE OF OREGON } ss. County of Klamath	
TRUST DEED		I certify that the within instrument was received for record on the 22nd day of JANUARY, 1976, at 12:08 o'clock P. M., and recorded in book M. 76 on page 1056 Record of Mortgages of said County.	
TO _____ Grantor		Witness my hand and seal of County affixed.	
FIRST FEDERAL SAVINGS & LOAN ASSOCIATION		Wm. D. MILNE County Clerk	
Beneficiary		By Hazel Dray Deputy	
After Recording Return To: FIRST FEDERAL SAVINGS 540 Main St. Klamath Falls, Oregon		FEE \$ 6.00	

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 _____