

14784

TRUST DEED <sup>100</sup>  
Vol. 76 Page 8536

THIS TRUST DEED, made this 9th day of June  
ROBERT E. BALES AND NETTA J. BALES, Husband and Wife  
as grantor, William Gar

THIS TRUST DEED, made this 9th day of \_\_\_\_\_, 19\_\_\_\_, by and between  
**ROBERT E. BALES AND NETTA J. BALES, Husband and wife**,  
 as grantor, William Ganong, Jr., as trustee, and  
 \_\_\_\_\_, as trustee, of the  
 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:

under the laws of the United States;

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:

to the official plat thereof on file in

Tract 58, LEWIS TRACTS, 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, 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, venetian blinds, floor covering in place such as well-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 the performance of each agreement of the grantor herein contained and the payment of the sum of TWENTY ONE THOUSAND SIX HUNDRED AND NO/100 (\$21,600.00) 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 \$166.70 commencing July 15, 1976.

\* 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. No may be evidenced by a having an interest in the above described property. No trust deed is evidenced by more than one note. If the indebtedness secured by this credit payments received by it more than one note, the beneficiary may pay any payment on one note and part on another, any of said notes or part of any note may be paid by the beneficiary and the beneficiary as the beneficiary may elect.

The grantor hereby covenants to and with the trustee and the beneficiary herein that 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 cause all buildings in course of construction hereunder to be completed within the time specified in the note from the date of hereafter completion of said premises within six months from the date hereof or hereafter completion of said premises in any building or improvement of hereof or hereafter construction is hereafter commenced on any building or improvement and in good workmanlike manner; to keep said property at all said property which may be damaged or destroyed and pay, or cause to be paid, the cost of reconstruction; 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 from beneficiary to grantor; to cause to be destroyed any building or improvements now or hereafter existing on said premises; to keep all buildings to repair and to commit or suffer construction on any building erected upon said property in accordance with the plans and specifications of all buildings, property and improvements now or hereafter existing on said premises; to keep said premises continuously free from all encumbrances in accordance with the time to time require, now or hereafter existing on said premises; to pay the principal and interest on said note not less than the original principal sum of the note or obligation secured by this trust deed, or the principal and interest on the note or obligation secured by the original policy of insurance in force at the time the policy was issued, less any loss payable clause in favor of the beneficiary at least equal to the premium paid, to the principal place of business of the beneficiary at its own option prior to the date of any such policy of insurance in force; if fifteen days prior to the date of any such policy of insurance in force, which insurance is not so tendered, the beneficiary, which insurance shall obtain insurance for the benefit of the beneficiary, which insurance shall be non-cancelable by the grantor during the full term of the policy thus obtained.

That for the purpose of providing regularly for the prompt payment of all taxes, assessments, and governmental charges levied or assessed against hereby is in excess of 80% principal and insurance premium while the indebtedness secured hereby is the loan made by and under the original purchase price paid by the grantor at the time the loan was made, and the principal and interest payable on the value of the property at the time the loan was made or the beneficiary's original appraised value of the property at the time the loan was made, grantor will be payable under the terms of the note or contract secured hereby in 1/12 principal and interest, and the interest shall be payable with respect to said property of the date of the assessments, and other charges due on 3/3 of the insurance premium payable with respect to said property within the next 30 days, and the interest shall be payable with respect to said property within each succeeding three years while this trust shall be in effect, and the interest shall be payable by the beneficiary. Beneficiary shall pay to the grantor as estimated and agreed to at a rate not less than the highest rate authorized to be paid interest on said account, and the interest shall be computed on the average by banks of the rate of their open passbook accounts minus 3/4%. If such rate is less than 4 1/2%, the rate of interest paid shall be 4 1/2%. Interest shall be computed on the average monthly balance in the account and shall be paid quarterly to the grantor by crediting to the escrow account the amount of the interest due.

[illegible]

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 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 be interest at the rate specified in the note, shall be repayable by the grantor on demand and shall be the right in its discretion to complete in this connection, the beneficiary shall have the right in its discretion to grant 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, expenses of this trust, including the cost of title search, as well as the other costs and expenses of the trustee actually incurred; to enforce this obligation, and trustee's and attorney's fees actually incurred; to appear in and defend any action or proceeding purporting to affect the security hereof or the powers of the beneficiary or trustee; and to pay all costs and expenses, including cost of evidence in any such action or proceeding to which the sum to be fixed by the court, in any such action or proceeding in which the beneficiary or trustee may be a party and in any suit brought by the beneficiary 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:

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 or any portion of the money payable as compensation for such taking, which are in excess of the amount actually paid to the grantor in such proceedings, shall be paid to the beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees necessarily incurred by the grantor in such proceedings, and then on the balance of the money so necessarily paid or incurred by the beneficiary in such proceedings; and the grantor agrees, for and in consideration of the sum of \$1000.00, to execute and deliver to the beneficiary all such instruments and execute such instruments as may be necessary in obtaining such compensation, promptly upon the beneficiary's request.

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 encumbrance, payment of full reconveyance, for cancellations of the deed, without affecting the disbursement (in case of full reconveyance, for the said property); (b) join in granting liability to any person for the payment of the said property; (c) join in any subordination to the making of any map and restriction thereon, (d) join in any reconveyance, any easement or creating on this deed or the lien or charge on the said property, or other agreement affecting or any part of the property. The grantee in any reconveyance without warranty described as the "person or persons legally entitled thereto" and the recitals therein of any matters or fact shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services in this paragraph shall be \$5.00.

3. As additional security, grantor hereby assigns to beneficiary during the continuance of these trusts all rents, issues, royalties and profits of the property included by this deed and of any personal property located thereon. Until the performance of any agreement of the grantor, grantor shall have the right to collect the same. Upon any default by the grantor, beneficiary shall have the right to collect all such rents, issues, royalties and profits earned prior to default to reimburse himself for the costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as the beneficiary may determine.

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 all or 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.

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.

*Robert E. Bales* (SEAL)  
*Netta J. Bales* (SEAL)

STATE OF OREGON } ss.  
County of Klamath

THIS IS TO CERTIFY that on this 9th day of June, 1976, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named ROBERT E. BALES AND NETTA J. BALES, 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.

*Snarell V. Brown*  
Notary Public for Oregon  
My commission expires: 11-12-78

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 COUN-  
TIES WHERE  
USED.)

STATE OF OREGON } ss.  
County of Klamath

I certify that the within instrument was received for record on the 10th day of JUNE, 1976, at 9:03 o'clock A. M., and recorded in book M 76 on page 8536. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

WM. D. MILNE County Clerk

By *Angel Drangel* Deputy  
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

by \_\_\_\_\_

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