

17180 Vol. 72
THIS TRUST DEED, made this 3rd day of August
LUTHER F. MORGAN and EDITH D. MORGAN, husband and wife

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 48 and 49 in FAIR ACRES SUB-DIVISION NO. 1, according to the duly recorded plat thereon file in the office of the County Clerk, 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, timberland or other purposes, and which is 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 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 TEN THOUSAND FIVE HUNDRED (\$ 10,500.00) Dollars, with interest thereon according to the terms of a promissory note, to wit: and NO. 100 herein, payable to the beneficiary or order and made by the grantor, principal and interest being payable in monthly installments of \$ 105.00 commencing September 10 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 otherwise, as may be evidenced by the above described property, as may be evidenced by a note or notes. If the indebtedness secured by this 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 encumbrances having pre- cedence over this trust; to complete all buildings in course of construction hereon or hereafter constructed on said premises within six months from the date hereof or the date of construction is hereafter commenced; to build and restore hereon and in good workmanlike manner and managed or destroyed and pay, when due, all costs incurred therefor; to allow beneficiary to inspect said property at all times during construction; to replace any work destroyed or damaged by fire or to beneficiary within fifteen days after written notice from beneficiary of such fact; not to remove or destroy any building or improvements now or hereafter erected upon said premises; to keep all buildings and improvements now or hereafter erected upon said property in good repair; to insure said property and improvements no waste of said premises; to keep said premises continuously insured against loss now or hereafter occurring; to indemnify the beneficiary may from time to time incur or of such other hazards as the beneficiary may from time to time be obligated in a sum not less than the original principal sum of the policy acceptable to the beneficiary by this trust deed, in a policy of insurance in correct form and with approval, and to the satisfaction of the beneficiary, and to pay the full amount of any loss payable clause in favor of the beneficiary attached and then the premium paid, to the principal place of business of the beneficiary and then fifteen days prior to the effective date of any policy of insurance, if in its own said policy of insurance, the beneficiary may from time to time be obligated to discontinue 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 the above described property and insurance premium while the indebtedness secured hereby is in excess of 80% of the lesser of the original purchase price paid by the grantor at the time the loan was made or the beneficiary's fair market value of the property at the time the loan was made, grantor will pay to the beneficiary in addition to the monthly payments of principal and interest payable under the terms of the note or obligation secured hereby on the date installments on principal and interest are payable, the sum equal to 1-1/2% of the taxes, assessments, and other charges due and payable on said property, plus 1-1/2% of the insurance premium payable within three years while this Trust Deed is in effect as estimated and directed by the beneficiary. Beneficiary shall pay to the grantor effect as estimated amounts at a rate not less than the highest rate authorized to be published by banks on their open passbook accounts minus 3/4 of 1%. If such rate is not published by banks on their open passbook accounts, the rate shall be computed on the average 4%, by the rate of interest paid shall be 4%. Interest shall be computed on the average 4%, 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.

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 as aforesaid. The grantor hereby authorizes the beneficiary to pay the taxes, assessments and other charges levied or imposed against said property in 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 all policies of insurance submitted by the insurance carriers or their representatives and to withdraw the sums which may be realized from the reserve account, if any, established for that purpose. The grantor agrees in and to event to hold the beneficiary harmless from and against any and all claims, demands, suits or for any loss or damage growing out of or in connection with the insurance policy, and the beneficiary hereby is authorized, in the event of a claim against any insurance policy, and with any insurance company and in the event of any loss, to compromise and settle with any insurance company and to accept such compromise and to discharge all obligations secured by this trust, and to accept such compromise, such insurance receipts upon the payment and satisfaction in full or upon sale or other amount of the indebtedness for

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 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

[illegible][illegible]

3. As additional security, grantor hereby assigns to beneficiary during the continuance of these trusts all rents, issues, royalties and profits of the property indicated by this deed and of any personal property located thereon. Until the said property is sold, the said rents, issues, royalties and profits shall be paid to grantor. Upon default in the payment of any indebtedness secured hereby, beneficiary shall have the right to collect the performance of any agreement hereunder and the right to collect all such rents, issues, royalties and profits earned prior to default as they may be due to grantor. Upon any default by the grantor hereunder, the beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by a court of law, willfully enter upon and take possession of the property or any part thereof, secured, enter upon and take possession of the property or any part thereof, in its own name sue for or otherwise collect the rents, issues and profits, including those past due and collect, including reasonable attorney's fees, and all other indebtedness secured hereby, and in such order as the beneficiary may determine.

After recording return to: **WESTERN**
P. O. Box
Klamath Falls

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 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 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.

Luther F. Morgan (SEAL)

Edith W. Morgan (SEAL)

STATE OF OREGON }
County of Klamath } ss.

THIS IS TO CERTIFY that on this 3rd day of August, 1976, before me, the undersigned, a

Notary Public in and for said county and state, personally appeared the within named

LUTHER F. MORGAN and EDITH D. MORGAN, 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.

L. J. Owens
Notary Public for Oregon
My commission expires: 5-14-80

(SEAL)

Loan No. _____	STATE OF OREGON } County of Klamath } ss.
TRUST DEED	I certify that the within instrument was received for record on the <u>3rd</u> day of <u>AUGUST</u> , 19 <u>76</u> , at <u>4:25</u> o'clock <u>P</u> . M., and recorded in book <u>M-76</u> on page <u>11984</u> Record of Mortgages of said County.
TO Grantor	Witness my hand and seal of County affixed.
FIRST FEDERAL SAVINGS & LOAN ASSOCIATION	<u>WM. D. MILNE</u> County Clerk
Beneficiary	By <i>Hazel Drayle</i> Deputy
After Recording Return To: FIRST FEDERAL SAVINGS 540 Main St. Klamath Falls, Oregon	FEE \$ <u>6.00</u>

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 _____

After recording
P
K
Until a change is