

THIS TRUST DEED, made this 16th day of September

vol. m 76 Page 76 between --

TRUST DEED, made this 16th day of September
JOSEPH W. MERCER and BERYL L. MERCER, husband and wife

JOSEPH W. MERCER and BERYL L. MERCER, husband and wife, as grantor, William Ganong, Jr., as trustee, and 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:

A parcel of land situated in Lots 688 and 689 of Block 104, Mills Addition to the City of Klamath Falls, Oregon being more particularly described as follows:

Beginning at the northeast corner of said Lot 688; thence WEST, 100.00 feet to the northwest corner of said Lot 689; thence South along the west line of said Lot 689, 86.60 feet; thence EAST, 20.00 feet; thence NORTH, 24.90 feet; thence EAST, 80.00 feet to a point on the east line of said Lot 688; thence NORTH, 61.70 feet to the point of beginning containing 6668 square feet more or less.

TOGETHER WITH:

TOGETHER WITH:
An easement for the purpose of ingress and egress over and across the southerly 58.30 feet of the easterly 30.00 feet of said Lot 689.

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, 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, together with the performance of each agreement of the grantor herein contained and the payment of the sum of AND NO 188 THOUSAND DOLLARS (\$ 32,000.00) 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 \$75.20 commencing October 20 19 76.

This trust deed shall further secure the payment of such additional moneys, if any, as may be loaned hereafter by the beneficiary, the grantor or others, having an interest in the above described property, and 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.

[illegible]

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, the principal purchase price paid by the grantor at the time the loan was made or the beneficiary's original appraisal value of the property at the time payments of principal and interest payable by the beneficiary in addition to the taxes, assessments, and other charges due and payable with respect to said property shall be applied first to the payment of such taxes, assessments, and other charges due and payable with respect to said property within each succeeding 12 months and also 1/30 of the insurance premium provided in the Trust Deed is in respect to said property within each succeeding year; Beneficiary shall pay to the grantor effect as estimated and determined by the grantor, the amount of the interest payable by banks on their open passbook accounts minus 3/4 of 1% if such rate exceeds 4%, the rate of interest paid shall be 4%; The interest shall be credited quarterly to the monthly balance in the account and shall be paid quarterly to the grantor by crediting the same 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, 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 the expenditures therefor shall draw interest at the rate specified in the list of this trust deed. In the grantor on demand and shall be secured by the list 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.

The grantor further agrees to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; to pay all costs, fees and expenses of said trust, including the cost of title search, as well as the cost of the cost and expenses of the trustee incurred in connection with or in enforcing this obligation, and trustee's and attorney's fees actually incurred to appear in and defend any action or proceeding brought to affect the security hereof or the right of the beneficiary or trustee; and to pay all reasonable expenses, including cost of evidence of title and attorney's fees in connection with the enforcement of this obligation, in any such action or proceeding, in which the beneficiary or trustee, and all said sums shall be secured by this trust deed, to foreclose this deed, and all said sums shall be actually 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:

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, require that all or any portion of the money's proceeds as compensation for such taking, which are in excess of the amount repaid by the grantor, be paid to the beneficiary; provided, however, that the beneficiary is 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 the grantor to the reimbursement of the reasonable costs and expenses and attorney's fees actually paid or incurred by the beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and the grantor agrees at its own expense, to take such actions as may be necessary in connection therewith as shall be necessary in obtaining such compensation, promptly upon the beneficiary's request.

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 endorsement, (in case of full reconveyance, for cancellation), without affecting the redemption of the property, the trustee shall (a) join in granting to the grantor or any person for the payment of the indebtedness, the trustee may (1) consent to the making of any map or plat of said property, (2) join in any subordination any easement or creating any other interest in the property, (3) join in any agreement, or (4) execute any instrument, in connection with the deed, or (5) without warranty, all or any part of the property. The grantee in any reconveyance may be described as the person or person, legally entitled to the property, and the recitals therein of the date and facts shall be conclusive proof of the recitals therein of the date and facts. Trustee's fees for any of the services in this paragraph shall be \$5.00.

[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 trustees 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.

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.

Joseph W. Mercer (SEAL)

Beryl L. Mercer (SEAL)

STATE OF OREGON } ss.
County of Klamath

THIS IS TO CERTIFY that on this 16th day of September, 1976, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named

JOSEPH W. MERCER and BERYL L. MERCER, husband and wife

to me personally known to be the identical individuals 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.



Robert Owens
Notary Public for Oregon
My Commission expires: 5-14-80

Loan No. _____	STATE OF OREGON } ss. County of Klamath
TRUST DEED	I certify that the within instrument was received for record on the <u>17th</u> day of <u>September</u> , 19 <u>76</u> at <u>11:58</u> clock <u>A.M.</u> , and recorded in book <u>M76</u> on page <u>14605</u> Record of Mortgages of said County.
TO FIRST FEDERAL SAVINGS & LOAN ASSOCIATION	Witness my hand and seal of County affixed.
Beneficiary	<u>Wm. D. Milne</u> County Clerk
After Recording Return To: FIRST FEDERAL SAVINGS 540 Main St. Klamath Falls, Oregon	By <i>Larinda L. Lure</i> 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

DATED: _____, 19____ by _____