

19933

THIS TRUST DEED, made this 1st day of October

HIS TRUST DEED, made this 1st day of October
JAMES BUIE MCLELLAND and EVELYN IRENE MCLELLAND, husband and wife
Master William Ganong, Jr., as trustee

JAMES BUTE McLELLAND and EVELYN IRENE McLELLAND, 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:

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:

Lot 18 in Block 18 of HILLSIDE ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, TOGETHER with an overhang easement as set forth in instrument recorded September 5, 1962 in Volume 340, Page 19, Deed Records 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, 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 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 DOLLARS AND NO/100 (\$ 10,500.00) 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 \$ 92.85 commencing November 20 19 76 after default, new balance remaining in the

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 a deed 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.

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-
said property; to keep said property free from all buildings in course of construction or under construction; to complete all buildings in course of construction
hereof or the date construction is hereafter commenced; to repair and restore
promptly and in good workmanlike manner any building or improvement on
said property which may be damaged or destroyed and pay, when due, all
assessed therefor; to allow beneficiary to inspect said property at all
times during construction; to replace any work or material unsatisfactory to
beneficiary within fifteen days after receiving notice from beneficiary of such
defect; not to remove or destroy any building or improvements now or hereafter
existing on or at said premises; to keep all buildings and improvements now or
hereafter existing on or at said premises in good repair and to suffer
no waste of said premises; to keep said premises continuously insured against loss
now or hereafter arising from fire, lightning, explosion, theft, burglary, or
by fire, theft, lightning, explosion, burglary, or any other cause, and to obligate
sum not less than the original principal sum of the policy of insurance
secured by this trust deed, in a company of insurance in correct form and with
approval, and to deliver to beneficiary a copy of the policy of insurance and with
the most favorable clause in favor of the beneficiary attached and with
premium paid, to the principal place of business of the beneficiary, or to the
beneficiary's home, if the beneficiary is a resident of the policy of insurance. If
fifteen days prior to the effective date of the policy of insurance, the beneficiary may in its own
said policy of insurance for the benefit of the beneficiary, which insurance
discretion be obtained from the grantor during the full term of the policy this
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% per cent of the original purchase price of the property, the grantor shall pay to the beneficiary of the lesser of the original purchase price or the appraised value of the property at the time the loan was made, or the beneficiary shall pay to the beneficiary in addition to the monthly payments of principal and interest payable under the terms of the note or obligation secured by the property, on the date installments on principal and interest are payable, an amount equal to 1/12 of the taxes, assessments, and other charges due and payable on the property, and the insurance premium payable within each succeeding 12 months and thereafter according three years while this Trust Deed is in effect to said property without cost to the beneficiary. Beneficiary shall pay to the grantor the interest on said account at a rate not less than the highest rate authorized to be charged by banks and their open passbook accounts minus 3/4 of 1%. If such rate is less than 4%, the rate of interest paid shall be 4%. 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.

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 covering such property, the grantor hereby authorizes the beneficiary to make 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 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 the amounts shown on the statements submitted by the insurance carrier or the representatives and to withdraw the sums which may be required from the reserve account, if any, established for that purpose. The grantor agrees in no event to hold the beneficiary responsible for any loss or damage growing out of any insurance policy, and the beneficiary is authorized, in the event of any loss, to compromise and settle with any insurance company in complying with any such insurance receipts upon the obligations incurred by the trust itself. To the extent of the indefiniteness for payment and satisfaction in full or upon sale or other

acquired 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 thirty 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 shall be repayable by the grantor with interest at the rate specified in the note, shall be repayable by the grantor on demand and shall be secured by the lien of the 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 this trust, including the cost of title search, as well as the cost of all other 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 suit brought by or on behalf of the beneficiary to appear in and defend any action or suit brought by or on behalf of the beneficiary hereof or the right of the beneficiary to appear in and defend any action or suit brought by or on behalf of the beneficiary or trustee, including cost of evidence of title and attorney's fees, and to pay all other expenses of the beneficiary or trustee, in any suit brought by beneficiary in reasonable sum to be fixed by the court, in any suit brought by or on behalf of the beneficiary or trustee, and all said sums shall be secured by this trust to foreclose this deed, and

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 and defend in its own name, appear in or defend any action or proceeding to make any compromise or settlement in connection with the taking and, if it so elects, to require that all or any portion of the amount recoverable as compensation for such taking, which are in excess of the amount repayable as compensation for such taking, and attorney's fees necessarily paid or incurred by it in such proceedings, shall be paid to the beneficiary or incurred by it. First upon any reasonable costs and expenses actually incurred by it in such proceedings, and the fees necessarily paid or incurred by the beneficiary or incurred by it, and the balance applied upon the instrument hereby; and the grantor agrees, at its own expense, to take such actions and execute such instruments as shall 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 endorsement (in case of full payment for cancellation), without affecting the payment of the note for the payment of the indebtedness, the trustee may (a) execute and deliver to the beneficiary a new deed and note, (b) join in granting consent to the making of any map or plat of said property, (c) join in any subordination any easement or creating and recording any lien or charge hereon; (d) reconvey, or otherwise release and failing conveyance, the property to the beneficiary, (e) execute and deliver a new warranty, all or any part of the property. The grantees in any deed or other instrument executed by the trustee hereunder shall be conclusively proof of the receipt therefor of any and all fees and charges payable by the beneficiary and shall be conclusively proof of the receipt therefor of any and all fees for any of the services in this paragraph mentioned. The fee of the trustee 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 affected by this deed and of any person, partnership or company located thereon. Until grantor shall default in the payment of any indebtedness secured hereby or if the performance of any covenants hereunder, grantor shall have the right to collect all such rents, issues, royalties and profits earned prior to default as they become due and payable. Upon any default by the grantor hereunder, the beneficiary may at any time without notice, either in person, by agent or by a receiver, may be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property, or any part thereof, in its own name sue for or otherwise collect said rents, issues and profits, including those past due and unpaid, and apply the same to the payment of the principal and interest on the indebtedness, together with all 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 entirety 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 as 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 order 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.

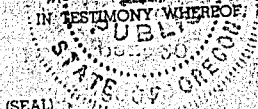
James B. McLeelland (SEAL)

Evelyn Irene McLeelland (SEAL)

STATE OF OREGON } ss.
County of Klamath

THIS IS TO CERTIFY that on this 1st day of October, 1976, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named JAMES B. McLEELLAND and EVELYN IRENE McLEELLAND, 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.



Ruth Owens
Notary Public for Oregon
My commission expires: 5-14-80

Loan No. _____

TRUST DEED

Grantor

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.)

FEE \$ 6.00

STATE OF OREGON } ss.
County of Klamath

I certify that the within instrument was received for record on the 6th day of OCTOBER, 1976, at 3:42 o'clock P. M., and recorded in book M 76 on page 15728 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

W. D. MILNE

County Clerk

By *Hazel Oranga* Deputy

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____