

WITNESSETH:

A portion of the E $\frac{1}{2}$ W $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 2, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the Easterly boundary of said E $\frac{1}{2}$ W $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 2, which is North 88°57' East, 330.02 feet and thence North 0°35' West, 1263.8 feet, from the Southwest corner of the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 2; thence North 0°35' West, 79.61 feet, more or less, to the Northeast corner of said E $\frac{1}{2}$ W $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$; thence South 89°24' West along the North line of said SE $\frac{1}{4}$ NW $\frac{1}{4}$, a distance of 165 feet, more or less, to the Northwest corner of said E $\frac{1}{2}$ W $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$; thence South 0°35' East, 49.53 Feet; thence South 45°35' East, 42.43 feet; thence North 89°25' East, 135.00 feet, more or less, to point of beginning.

[illegible]

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 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.

The grantor covenants and agrees to pay said note according to the terms thereof and, when paid, to pay all assessments and other charges levied against said property, to keep said property free from all encumbrances having precedence over this trust deed; to complete all buildings in course of construction or hereafter constructed on said premises within six months from the date hereof or the date construction of such buildings is completed, whichever date is later; to keep said property in a safe and workmanlike manner any building or improvement on said property which may be damaged 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 or materials furnished by beneficiary within fifteen days after written notice from beneficiary of such damage; to remove or destroy 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 contribute to the cost of no waste of said premises; to keep all buildings and improvements in good repair; not to remove herefrom any of the premises continuously insured against loss by fire and other perils or hazards as the beneficiary may from time to time require, in a sum not less than the original principal sum of the note or obligation secured by this trust deed, in a company or companies acceptable to the beneficiary, and to comply with all conditions of insurance contracts entered into by beneficiary, and to execute a public clause in favor of the beneficiary attached and with premium paid, to the principal place of business of the beneficiary at least fifteen days prior to the effective date of any such policy of insurance. If said policy of insurance is not so tendered, the beneficiary may, at its own discretion obtain insurance for the benefit of the beneficiary, which insurance shall be non-cancellable 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 original appraisal 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 an amount equal to 1/12 of the taxes, assessments, and other charges due and payable with respect to said property within each succeeding 12 months and an amount equal to 3/4 of the insurance premium payable with respect to said property within each succeeding three years while this Trust Deed is in effect. The taxes, assessments, and other charges shall be paid by the beneficiary. Beneficiary shall pay to the grantor interest on said amounts at a rate not less than the highest rate authorized to be paid by banks on 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 such 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 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 in the amounts shown on the statements submitted by the insurance company; and the grantor agrees to indemnify and to withdraw the sums so paid, and to require payment from the reserve account, if any is established, but not otherwise, until the grantor agrees in no event to hold the beneficiary responsible therefor. The grantor agrees to execute a written waiver for any loss or damage growing out of a defect in 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 apply any such insurance proceeds upon the obligations secured by this trust deed. In computing the amount of the indebtedness for payment and satisfaction in full of upon sale of 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 certain fixed reserve amount for taxes, assessments, mortgage premiums and other charges is not collected at any time for the payment of such charges, the income due the grantor shall pay the deficit to the beneficiary upon default, and if not paid within ten days after demand, the beneficiary may at its option add the amount of such default 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.

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 other costs 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 pay for all proceedings relating to the enforcement of the trust, to defend the rights or powers of the beneficiary or trustee, and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum to be fixed by the court, in any such action or proceeding in which the beneficiary of the trust may appear, and in any suit brought by the beneficiary to foreclose this deed, and all such sums may 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:

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 so elected, to require that all or any portion of the money payable as compensation for such taking, which are in excess of the amount payable 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 it first upon any reasonable costs and expenses and attorney's fees necessarily paid or incurred by the beneficiary in such proceedings, and the balance applied upon the right 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 reconveyance, for cancellation), without affecting the liability of any person for the payment of the indebtedness, the trustee may (a) reconvey, making any map or plat set aside proper; (b) join in granting any easement or creating a restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien of charge hereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto" and the trustee may make any map or plat set aside proper. No conclusive proof of the truthfulness of 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 the term of the rents, issues, royalties and profits of the property affected by this deed and of any personal property located thereon. Until grantor shall default in the payment of any indebtedness secured hereby or in the performance of any agreement 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 to be appointed by a court, and without regard to the adequacy of any security for the indebtedness secured, enter upon and take possession of all the property and any part thereof, in its own name sue for or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same less 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.

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 together with a copy of this instrument, and the trustee shall thereupon cause the same 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.

6. 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 public or separate parcels, and in such case 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 an-

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 (2) to the balance to the person to whom the obligation is owed 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 successor 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 authority deposited in or vested in the trustee appointed herein. Any 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 this trust is recorded, 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 and in 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.

✓ Motion on 11. 08. 2012 (SEAL)

Each M. Collins (SEAL)

STATE OF OREGON }
County of Klamath } 53

THIS IS TO CERTIFY that on this 12 day of JULY, 1977, before me, the undersigned, a

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

NORMAN H. ALDINGER AND CARLA M. ALDINGER, 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
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.

(SEAL)

Notary Public for Oregon

My commission expires: MARCH 20, 1981

Loan No. _____

TRUST DEED

Granger

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 COUNTRIES WHERE USED.)

Fee \$6.00

STATE OF OREGON)
County of Klamath) ss.

I certify that the within instrument was received for record on the 6th day of July, 1977, at 10:53 o'clock A. M., and recorded in book M77 on page 11859. Record of Mortgages of said County.

Witness my hand and seal of County
affixed.

Wm. D. Milne

County Clerk

By Hazel Drayle 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____