

Loan #01-41477 M/T 4899
42979

TRUST DEED

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DATED:

THIS TRUST DEED, made this 10th day of February, 1978, between
JOYCE I. LANE

as grantor, William Sisemore, as trustee, and
KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, 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:

RECORD BOOK LAST RECORDED

The South 60 feet of Lot 6, TONATEE HOMES, 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, venti-
lating, 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 Twenty Thousand and
no/100 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 \$ 161.50 commencing
March 5, 1978.

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 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 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 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
costs incurred therefor; to allow beneficiary to inspect said property at all
times during construction; to replace any work or materials unsatisfactory of
beneficiary within fifteen days after written notice from beneficiary of such
fact; not 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 commit or suffer
no waste of said premises; to keep all buildings, property and improvements
now or hereafter erected on said premises continuously insured against loss
now or hereafter created on said premises from time to time required,
by fire or such other 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 bene-
ficiary; and to deliver the original policy of insurance in correct form 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 in its own
discretion obtain insurance for the benefit of the beneficiary, which insurance
shall be non-cancelable by the grantor during the full term of the policy; the
amount of such insurance shall be paid by the grantor.

In order to provide regularly for the prompt payment of said taxes, assess-
ments or other charges and insurance premiums, the grantor agrees to pay to
the beneficiary together with and in addition to the monthly payments on
principal and interest payable under the terms of the note or obligation secured
hereby, an amount equal to one-twelfth (1/12th) of the taxes, assessments and
other charges due and payable with respect to said property within each suc-
ceeding twelve months, and also one-thirtieth (1/30th) of the insurance premiums
payable with respect to said property within each succeeding three years while
this trust deed remains in effect, as estimated and directed by the beneficiary,
such sums to be credited to the principal of the loan until required for the
several purposes thereof and shall thereupon be charged to the principal of the
loan; or, at the option of the beneficiary, the sums so paid shall be held by
the beneficiary in trust as a reserve account, without interest, to pay said
premiums, taxes, assessments or other charges when they shall become due
and payable, or to pay any other charges or expenses which may be incurred
by the grantor in connection with the performance of its obligations under this
trust deed. While the grantor is so paying 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 bene-
ficiary, 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 amount 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 amount as shown on the statements submitted by
the insurance carriers or their representatives, and to charge said sums to the
principal of the loan or to withdraw the sums which may be required from
the reserve account, if any, established for that purpose. The grantor agrees
not to event to hold the beneficiary responsible for failure to have any sub-
surance written or for any loss or damages growing out of a deficiency in any in-
surance policy; and the beneficiary hereby is authorized to apply any such
loss, to compromise and settle with any insurance company and to apply any
such insurance receipts upon the obligations secured by this trust deed. In
computing the amount of the indebtedness for payment and satisfaction, in
full or upon sale or other acquisition of the property by the beneficiary after

default, any balance remaining in the reserve account shall be credited to the
indebtedness. If the 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 and 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 there-
for 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, make or 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 defend any action or proceeding purporting to affect the secur-
ity hereof and the rights or powers of the beneficiary or trustee; and to pay all
its costs and expenses, including cost of evidence of title and attorney's fees in
any reasonable sum to be fixed by the court, in any such action or proceeding in
which the beneficiary or trustee may appear and in any suit brought by bene-
ficiary 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:

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 ac-
tion 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 re-
quired 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 indebtedness secured 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 bene-
ficiary, payment of its fees and presentation of this deed and the note for en-
forcement, (in case of full recovery, for cancellation), without affecting the
liability of any person for the payment of the indebtedness, the trustee may (a)
consent to the making of any map or plat of said property; (b) join in granting
any easement or creating and restriction thereon, (c) join in any subordination
or other agreement affecting this deed or the lien or charge hereof; (d) reconvey
without warranty, all or any part of the property. The grantee in any reconvey-
ance may be described as the person or persons legally entitled thereto and
the recitals therein of any matter or facts 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 pro-
perty 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 col-
lect 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 bene-
ficiary may at any time without notice either in person, by agent or by re-
ceiver to be appointed by a court, and without regard to the beneficiary or any
security for the indebtedness hereby secured, enter upon and take possession of
said property, or any part thereof, in its own name and 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 reason-
able attorney's fees, upon any indebtedness secured hereby, and in such order
as the beneficiary may determine.

