

THIS TRUST DEED, made this 19<sup>th</sup> day of April 19 78, between HURVARD E. FIELDS and MARTHA L. FIELDS, husband and wife, as grantor, William Sissmore, as trustee, and

KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation organized and existing under the laws of the

United States, as lessee, for the sum of \$15,000.00, to commence quarterly on the tenth of each month, for the period of three years, to secure to the lessee the sum of \$15,000.00, to be paid by the grantor to the trustee, in trust, for the payment of the principal amount of the note, plus interest thereon, at the rate of 6% per annum, and the expenses of collection, including attorney's fees, and costs of suit, if any, arising out of the making or collection of the note.

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:

All the following described real property situated in Klamath County, Oregon:  
A parcel of land situated in the SW<sup>1/4</sup> of section 25, Township 36 South, Range 11 E.W.M. Klamath County, Oregon, being more particularly described as follows:

Beginning at a 5/8" iron pin marking the Northeast Corner of said SW<sup>1/4</sup>; thence S. 06°38'48" W. along the East line of said SW<sup>1/4</sup>, 500.00 feet; thence, leaving said East Line, West 432.72 feet; thence North 501.40 feet to a point on the North Line of said SW<sup>1/4</sup>; thence S. 89°48'51" E. along said North line 433.25 feet to the point of beginning containing 5.00 acres more or less.

The lien of the Trust Deed shall automatically extend to and cover all real property and real property rights that may at any time now or hereafter be acquired or owned by the Grantors, his successors, heirs or assigns which shall be contiguous to the real property described herein.

which said described real property is not currently used for agricultural, timber or grazing purposes.

TO THE DEED  
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 **FOURTY FIVE THOUSAND FIVE HUNDRED AND NO/100 (\$45,500.00)** 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 \$ 376.76 commencing

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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 holding or 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 apply payments received by him upon any or all notes or part of any payment on one note and part on another, at the beneficiary's option.

The grantor hereby covenants to and with the trustee and the beneficiary, 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 "add this thoro against the claims of all persons whatsoever.

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 precedence over this trust deed; to repair all buildings in course of construction or hereafter constructed on said premises within six months from the date hereof or the date on which this is hereafter commenced; to repair and restore property, and to 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 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 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 and improvements now or hereafter erected on said premises clean and in good condition, free from fire, loss by fire or other causes, damage by insects, vermin, mice, rats, bats, etc., or any other cause; to pay to the beneficiary, from time to time require, to the sum of \$100.00, the total potential sum of the note or obligation secured by this trust deed, in a weekly or bi-weekly payment acceptable to the beneficiary, to satisfy the original policy of insurance in contract form and with premiums paid, to the principal place of business of the beneficiary at least fifteen days prior to the effective date of lapse 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 noncancelable 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 which 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 appraised 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, yearly under the terms of the note or obligation secured hereby on account of insurance premium and taxes and payable in advance equal to 1/13 of the taxes, assessments, and other charges due and payable with respect to said property during each month and also 1/12 of the insurance premium payable with respect to said property within each successive three year while this trust deed is in effect to estimate and effect 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 own checking accounts minus 2 1/4% 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 savings account the amount of the interest due. The grantor and beneficiary shall be entitled to withdraw the amount of the interest due, at any time, at the option of either party.

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 now and property, such payments are to be made through the beneficiary. At the request of the grantor, beneficiary agrees to collect all taxes, assessments and other charges levied or assessed against said property, and the amount so collected, to be paid to the grantor by the beneficiary. The grantor, beneficiary and insurance carriers or their representatives agree to withdraw the sums which may be received from the reserve account, if any, established for this purpose. The grantor agrees in no event to hold the beneficiary responsible for failure to have any insurance written or for any loss or damage growing out of 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 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

disposition 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 for such conducture thereof shall draw interest at the rate specified in this note, shall be responsible by the grantor on demand and shall be liable for the full sum of this trust deed. In this connection, the beneficiary shall have the right in its discretion to complete any improvements made by 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 security hereof or 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 or trustee may appear and in any suit brought by beneficiary 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 thereto 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 proceeding, or to cause any compromise or settlement in connection with such taking and, if it so elects, to require that all or any portion of the money so payable as compensation for such taking, which are in excess of the amount 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 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 beneficiary, payment of its fees and presentation of this deed and the note for cancellation (in case of full reconveyance, 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 reorganization or other agreement affecting this deed or the title or charge hereof; (d) reexecute, without warranty, all or any part of the property, the grantor in such reexecution may be described as the "person or persons lawfully entitled thereto"; and the recitals thereto of any matters of fact shall be conclusive proof of the truthfulness thereof. Trustee's fee for any of the services in this paragraph shall be \$50.00.

3. An additional security, grantor hereby assigns to beneficiary during the continuation of this trust all 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 hereinabove, grantor shall have the right of cancellation unless timely paid. If any such agreement is breached, grantor may sue for cancellation and payment. If any such agreement is breached by the grantor, beneficiary may at any time, without notice, either in person, by agent or by a representative to 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 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 of each order as the beneficiary may determine.

6. The entering upon and taking possession of said property, the collection of such rents, leases and profits or the proceeds of fire and other insurance and items or compensation or awards for any taking of damage of the property, and the application or release thereof, as aforesaid, shall not cure or waive any default or notice of default hereinabove or heretofore given by the grantor to such action.

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 conveniently 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 to payment of any indebtedness secured hereby or in performance of any agreement herein, 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 of default shall cause to be duly filed for record. Upon delivery of such 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 authorized 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 \$100.00) other than such portion of the principal as would accrue thereon from the date of default until the date of sale.

8. After the lapse of such time as may then be required by law following the recording of said notice of default and notice of time of sale, the trustee shall evict the property at the time and place fixed by him in said notice of sale, unless otherwise directed by the grantor, in such order as he may determine, as perkins or other persons holding the same, in forced name of the United States, before or after the time of sale, notwithstanding sale of all or any portion of the property, and the trustee may make such arrangements as may be necessary to effect such removal.

9. After the lapse of such time as may then be required by law following the recording of said notice of default and notice of time of sale, the trustee shall evict the property at the time and place fixed by him in said notice of sale, unless otherwise directed by the grantor, in such order as he may determine, as perkins or other persons holding the same, in forced name of the United States, before or after the time of sale, notwithstanding sale of all or any portion of the property, and the trustee may make such arrangements as may be necessary to effect such removal.

IN WITNESS WHEREOF, the grantor has hereunto set his hand and seal the day and year first above written.

*Durward E. Fields* (SEAL)  
DURWARD E. FIELDS

6828  
At the time and place hereinabove mentioned, the grantor, Durward E. Fields, and the trustee, Klaire M. Fields, did appear before me, a Notary Public in and for the State of Oregon, and I do hereby certify that the said Durward E. Fields, is the true and lawful holder of the above described trust deed, and that the signature and seal affixed thereto are genuine and that the said Durward E. Fields, is of sound mind and memory and is capable of making and executing this instrument.

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 covered 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 covariance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. 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 country in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

11. Trustee of 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, binds 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; it constitutes this deed and whenever the context so requires, the singular gender includes the feminine and/or neuter, and the singular number includes the plural.

IN WITNESS WHEREOF, the grantor has hereunto set his hand and seal the day and year first above written.

*Klaire M. Fields* (SEAL)  
KLAIRE M. FIELDS

April 1, 1978, before me, the undersigned, a Notary Public in and for the State of Oregon, personally appeared the within named

DURWARD E. FIELDS, 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 sealed my notarial seal the day and year last above written.

*Neal H. Page* (Signature)  
Notary Public for Oregon  
My commission expires: 4/24/87

STATE OF OREGON } ss.  
County of Klamath } ss.

TRUST DEED

RECORDED IN THE OFFICE OF THE CLERK OF THE COUNTY OF KLAMATH, OREGON, ON APRIL 1, 1978, AT PAGE 6227, BOOK NO. 4780, FOR RECORDING OF THE FOREGOING INSTRUMENT.

I certify that the within instrument was received for record on the 10th day of April, 1978, by the successor of Klaire M. Fields and recorded in the office of the Clerk of the County of Klamath, Oregon, on April 1, 1978, at page 6227, book no. 4780.

Witness my hand and seal of County and Loan Association, being of record, dated April 1, 1978, by the successor of Klaire M. Fields and recorded in the office of the Clerk of the County of Klamath, Oregon, on April 1, 1978, at page 6227, book no. 4780.

KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, being of record, dated April 1, 1978, by the successor of Klaire M. Fields and recorded in the office of the Clerk of the County of Klamath, Oregon, on April 1, 1978, at page 6227, book no. 4780.

Fee \$6.00

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