

46794

TRUST DEED Vol. 71 Page 7991

THIS TRUST DEED, made this 24th day of April 1978, between

JAMES D. STORY

1978, between

KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation organized and existing under the laws of the United States, as beneficiary, and **William Sisemore**, as grantor, William Sisemore, as trustee, and **Klamath County, Oregon**, described as:

The grantor irrevocably grants, bargains, sells and conveys to the trustee, in trust, with power of sale, the property in

That portion of Lots 1, 2 and 3, Block 75, Buena Vista Addition to the City of Klamath Falls, in the County of Klamath, State of Oregon, described as follows:

Commencing at a point on the Northwesterly line of Lot 3, Block 75, of Buena Vista Addition, which lies 80 feet Southwesterly from the most Northerly corner of said lot, and thence running Southeasterly parallel with Oregon Avenue a distance of 50 feet; thence Southwesterly parallel with Academy Street a distance of 15 feet, thence Southeasterly parallel with Oregon Avenue to a point in the Southerly line of Lot 1 in said block; thence Westerly along the Southerly line of Lots 1, 2, and 3 of said block to the most Westerly corner of said block; thence Northeasterly along the Northwesterly line of said Lot 3 of said block a distance of 132.52 feet, more or less to the point of beginning.

which aforesaid 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 **FIFTEEN THOUSAND TWO HUNDRED 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 \$ **139.20**, commencing June 10, 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 herein mentioned for the above-described property, as may be evidenced by a note of deposit. If the indebtedness created 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, 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 whatsoever.

The grantor covenants and agrees to pay said note according to the terms of said note, when due, all taxes, assessments and other charges levied against said property to keep said property free from all encumbrances having pre-
sence 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 a 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 and appraise at all times during construction; to replace any work or materials unsatisfactory to beneficiary within fifteen days after written notice from beneficiary of such construction on said premises; to keep all buildings and improvements now or hereafter erected upon said property in good repair and to submit or suffer now or hereafter erected on said premises, to keep all buildings, property and improvements in fire and other hazards as the beneficiary may from time to time require, less than the original principal sum of the note or obligation, secured hereby, by this trust deed; to pay a reasonable compensation acceptable to the beneficiary, and to deliver the original policy of insurance in correct form and with premiums 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 a 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-cancellable by the grantor during the full term of the policy thus obtained.

That for the purpose of providing security for the prompt payment of all taxes, assessments, and governmental charges levied or assessed against the above described property and expenses 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, 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, amounts recoverable hereby by the taxes, assessments, and other charges due and payable with respect to said property within each succeeding 12 months and also 1/8th of the insurance premium paid with respect to said property within each succeeding three years while this Trust Deed is in effect or until satisfied and converted by the beneficiary. Beneficiary shall pay to the trustee or to said amounts at a rate not less than the highest rate authorized to be paid by banks on their open passbook accounts minus 3 1/4% if such rate is less than 10%. The rate of interest paid shall be computed on the average monthly balance in the account and shall be paid quarterly in the greater by crediting the account against 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 the beneficiary is to make through the insurance policies upon said property, such payment against said property as 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 carrier on their representatives and to withdraw the sums which may be required from the reserve account, if any, established for that purpose. The grantor agrees to set aside a sum responsible for future losses, if any, to have any insurance written on for any loss or damage occurring out of a defect in any insurance policy, and the beneficiary hereby is authorized to collect the same, to compromise and settle with any insurance company and to apply the same to the indebtedness for payment and satisfaction in full or upon sale or other 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 any unauthorized 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 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 Note 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 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 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, proceeding, 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 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 it, shall upon any reasonable costs and expenses and attorney's fees necessarily paid or incurred by the beneficiary in such proceedings, and the balance so paid to the beneficiary or trustee, shall be paid to the beneficiary in full, 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 recoveryance 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 or easement or creating and restricting the same; (c) join in any subdivision or other agreement or creating and restricting the same; (d) recover, without warranty, all or any part of the property. The grantee in any recovery, or the recipient thereof of any moneys or facts shall be conclusive proof of the truthfulness thereof of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services in this paragraph shall be given.

3. An additional security, grantor hereby assigns to beneficiary during the continuance of these notes and 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 or by agent or by a receiver to be appointed by a court and without regard to the adequacy of any said property, or any part thereof, in its own name sue for the rents, issues, royalties and profits, including those past due, and collect 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.

