

9464

WITNESSETH:

Lot 10 of LAMRON HOMES, in the County of Klamath, State of Oregon.

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 premium according to the terms thereof and, when any bill for said assessments and cover charges is sent against said property, to keep said property insured against fire and theft, burglary, and all other perils, including the cost of insurance, having precedence over this trust deed, to complete all building and reconstruction in such manner as the date construction is hereafter commenced to repel and restore said property which may be damaged in any manner by fire, lightning or improvement on costs incurred therefor, to allow beneficiary to inspect and, when due, all time during construction, to replace any work or materials unsatisfactory at all times following, within ten days after written notice from beneficiary of such fact, may to destroy any building or improvement on said property now or hereafter constructed on said premises, to add any improvements now or hereafter hereafter erected upon said property in good repair, to improve now or in the future of said premises, to keep all buildings, property and improvements on by fire or burglar insured on said premises continuously insured against loss in a sum not less than the original principal may from time to time require, secured by this trust deed, in a company or companies acceptable to the beneficiary, and to deliver the original policy of insurance in correct form and with premium paid, to the beneficiary in favor of the beneficiary attached and with fifteen days prior to the effective date of any such policy of insurance, if said policy of insurance is not so rendered, the beneficiary may, in its own discretion obtain insurance for the benefit of the beneficiary, which insurance shall not be non-cancelable by the grantor during the term of the policy thus obtained.

[illegible][illegible]

acquisition of the property by the beneficiary after death shall remain in its present account shall be credited to the individual. If an authorized reserve account for taxes, assessment, 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 no such payment is made after demand, the beneficiary may at its option add the amount of such deficiency to the principal 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 sum of \$10,000.00. In this connection, the beneficiary shall have the right in its discretion to complete any improvements made on said premises and shall retain such repairs as and properly as in its sole discretion it may deem necessary or advisable.

[illegible]

The Lendicery will furnish to the grantor, on written request therefor, an annual statement of account but shall not be obligated to prepare a ledger or 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, or cause to be commenced or proceedings, or to make any compromise or settlement in connection with any such taking and, if it so elects, to require that all or any portion of the compensation payable as compensation for such taking, which are in excess of the amount paid or incurred by the beneficiary, shall be paid to the beneficiary, and the beneficiary shall be liable for all reasonable costs, expenses and attorney's fees necessarily paid and supplied by it first upon any reasonable demand therefor by the beneficiary, and the beneficiary shall be liable for all reasonable costs, expenses and attorney's fees necessarily paid or incurred by the beneficiary in such proceedings, and the beneficiary shall be authorized to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon the beneficiary's request.

[illegible][illegible]

4. The entering 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 non-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 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 as 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 \$10.00 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 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 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, issues 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 hereof. 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.

Alvis Clayton Smith

William Roy Smith

(SEAL)

STATE OF OREGON

County of Klamath ss.

THIS IS TO CERTIFY that on this 9th day of May, 1978, before me, the undersigned, a

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

WILLIAM ROY SMITH AND ELIA MARIE SMITH, Husband and Wife and ALVIS CLAYTON SMITH

to me personally known to be the identical individual 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.

(SEAL)

Donald V. Brown
Notary Public for Oregon
My commission expires 11-12-78

Loan No. _____ TRUST DEED _____ _____ _____ Grantor TO KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION Beneficiary After Recording Return To: KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION <u>50-6th St BRANCH</u>		(DON'T USE THIS SPACE RESERVED FOR RECORDING LABEL IN COUNTY WHERE USED.) STATE OF OREGON } ss. County of <u>Klamath</u> I certify that the within instrument was received for record on the <u>9th</u> day of <u>May</u> , 19 <u>78</u> at <u>3:32</u> o'clock <u>P.M.</u> and recorded in book <u>M78</u> on page <u>9464</u> Record of Mortgages of said County. Witness my hand and seal of County affixed. <u>W. D. Milne</u> County Clerk By <u>Bernetha H. Ketch</u> Deputy Fee \$6.00
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REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: William S. Squire, 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.

Klamath First Federal Savings & Loan Association, Beneficiary

DATED _____, 19__