

WITNESSETH:

Klamath. County, Oregon, described as:

37' West, 322.86 feet to the true point of beginning.
ALSO a 40.00 foot wide roadway easement, being 20.00 feet either side of the following described centerline; commencing at the corner common to Section 21, 22, 27 and 28; thence West, along the South boundary of Section 21, 2041.10 feet to the true point of beginning; thence North 30° 37' West, 2059.08 feet.

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 pertaining 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 FOUR THOUSAND EIGHT HUNDRED AND NO/100 (\$ 44,800.00)** 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 **\$ 370.94** commencing

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 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.

[illegible]

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, the grantor shall 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 the date installments on principal and interest are payable an amount equal to the sum of the taxes, assessments, and other charges due and payable with respect to said property within each succeeding 12 months and also 75% of the insurance premium payable in respect to said property within each succeeding three years while this Trust Deed is in effect as estimated and paid by the beneficiary. Beneficiary shall pay to the grantor interest on grantor's notes at a rate not less than the highest rate authorized to be paid by law on their open passbook accounts minus 3/4 of 1%. If such rate is less than 4 1/2%, the rate of interest paid shall be 4%. Interest shall be computed on the 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.

[illegible]

acquisition 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 at any time has taxes, assessments, insurance premiums and other charges is not sufficient to pay the time for the payment of such charges as they become due, the grantor shall pay after such demand, 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 be paid by the grantor. The beneficiary shall be responsible for the principal and interest on the mortgage, and shall be responsible for the payment of all taxes, and shall be responsible for the payment of all other charges and expenses in connection with the property. The grantor on demand and shall be secured by the lien of the trust deed. In this connection, the beneficiary shall have the right to take any action 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, including the cost of title search, as well as the costs of recording this deed, and all 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 in appearing in and defend any action or proceeding brought to affect the security hereof or to enforce the obligations of the beneficiary or trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in any action or suit to be fixed by the court, in any such action or suit brought by beneficiary to foreclose this deed, and all said sums shall be secured by this trust.

The beneficiary will furnish to the grantor on written request thereof an annual statement of account but shall not be obligated or required to furnish any further statements of account.

[illegible]

request.

2. At any time and from time to time upon written request of the beneficiary, payment of the fees and presentation of this deed and the note for encumbrance, in case of full reconveyance, for cancellation), without affecting the validity of any person for the payment of the indebtedness, the trustee may consent to the making of any map or plat of said property; (b) join in granting any easement or other encumbrance affecting thereon, (c) join in any subordination or release of any encumbrance affecting this deed or the lien or charge hereof; (d) reconvey, or release, or otherwise discharge, the property hereunder, with or without warranty, all or any part of the property. The grantee in said deed or release may be described as the person or persons, or as "the person or persons hereto" and the recitals therein 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 \$5.00.

shall be \$300.

3. As additional security, grantor hereby assigns to beneficiary during the continuance of these trusts all rents, issues, royalties and profits of the property affected by this deed and of any personal property located therein. 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 hereby, enter upon and take possession of said property, and collect therefrom, in its own name sue for or otherwise collect all such 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.

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 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 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 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.

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, 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.

Matthew R. Monroe (SEAL)
MATHEW R. MONROE
Barbara J. Monroe (SEAL)
BARBARA J. MONROE

STATE OF OREGON

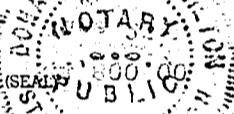
County of Klamath } ss

THIS IS TO CERTIFY that on this 12th day of May, 1978, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named:

MATHEW R. MONROE and BARBARA J. MONROE, 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 affixed my notarial seal the day and year last above written.



Donald Bert Hamilton
Notary Public for Oregon
My commission expires: 3/20/81

Loan No. _____	STATE OF OREGON County of _____ } ss.
TRUST DEED	I certify that the within instrument was received for record on the <u>15th</u> day of <u>MAY</u> , 19 <u>78</u> , at <u>10:42</u> o'clock <u>A</u> .M., and recorded in book <u>M78</u> on page <u>10008</u> Record of Mortgages of said County.
<u>31, MGP 3028-08 1966</u> DEPOSITED BY GRANTOR TO GRANTEE Klamath First Federal Savings and Loan Association Beneficiary	Witness my hand and seal of County affixed <i>William D. Milne</i> County Clerk
After Recording Return To: Klamath First Federal Savings and Loan Association 540 Main St. Klamath Falls, Oregon 97603	By <i>Barbara J. Monroe</i> Deputy
	FEE \$ 6.00

REQUEST FOR FULL RECONVEYANCE
To be used only when obligations have been paid.
TO: William Sismore, _____, 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
by _____
DATED: _____, 19____