

THIS TRUST DEED, made this 1st day of June  
GEORGE C Servant

GEORGE C. SEYMOUR and ALICE B. SEYMOUR, husband and wife

....., husband and wife.....  
 ..... as grantor. William Sisemore, as trustee, and  
 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:

Lot 2, Block 8, FIFTH ADDITION TO SUNSET VILLAGE, 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, ventilation, 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 \$ 41,600.00 FORTY ONE THOUSAND SIX 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 \$ 351.94

This trust deed shall further secure the payment of the sum of \_\_\_\_\_  
any, as may be required.

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, 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 precedence over this trust deed; to complete all buildings in course of construction hereof or of the date construction is hereafter commenced; within six months from the date 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 to beneficiary within fifteen days after any written notice from beneficiary; 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 upon said premises continuously insured against loss 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 required 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 approval of loss payable clause in favor of the beneficiary attached and with premium paid, to the principal place of business of the beneficiary not less than 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 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 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, 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 are payable an amount equal to 1/12 of the taxes, assessments, and other charges due and payable with respect to said property within each succeeding 12 months and also 1/360 of the insurance premium payable with respect to said property within each succeeding three years while this Trust deed is in effect as estimated and directed 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 open passbook accounts minus 3/4 of 1%. 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 escrow account 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 interest and also to pay premiums on all insurance policies upon said property, such payments are to be made through the beneficiary, 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 amounts 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 amounts shown on the statements submitted by the insurance carriers or their representatives and to withdraw the amounts which may be required from the reserve account, if any, established for that 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 a 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

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 for taxes, assessments, insurance premium and other charges is not sufficient to pay the deficit to the beneficiary upon 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 grantor shall 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 next clause. In this connection, the beneficiary shall be secured by the life insurance trust deed. 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.

[illegible]

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 be taken to the right to commence, prosecute in its own name, appear in or defend any action or proceedings, to make any compromise or settlement in connection with such taking and, if 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 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 such proceedings, shall be paid to the beneficiary and applied upon the indebtedness secured hereby; and the grantor agrees, and the beneficiary agrees, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon the same as shall request.

2. At any time and from time to time upon written request of the beneficiary, payment of its fee and presentation of this deed and the note for endorsement (in case of full reconveyance, for cancellation and the note for consent to the making of any map or plat of said property), the trustee may (a) or may execute or create and register on the deed or property (b) join in any grant without warranty, all or any part of the property free or charge hereof; (d) reconvey, the recitals therein, of as the "person or persons legally entitled thereto" and 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 property affected by this deed and of any personal property located thereon, the grantor shall default in the payment of any indebtedness secured hereby or 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, as they may at any time without notice, either in person, by agent or by a co-beneficiary to be appointed by a court, and without regard to the adequacy of the security for the indebtedness hereby secured, enter upon and take possession of any real property, or any personal property, in its own name, for or otherwise collect 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.



11722

FORM No. 159—ACKNOWLEDGMENT BY ATTORNEY-IN-FACT.

STATE OF OREGON,

County of KLAMATH

ss.

On this the 1<sup>st</sup> day of JUNE, 19 78 personally appeared  
ALICE R. SEYMOUR  
 who, being duly sworn (or affirmed), did say that She is the attorney in fact for GEORGE C.  
SEYMOUR  
 that he executed the foregoing instrument by authority of and in behalf of said principal; and he acknowl-  
 edged said instrument to be the act and deed of said principal.

(Official Seal)

Before me:

Donald Bert Hamilton  
 (Signature)

Loan Officer  
 (Title of Officer)

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Klamath County Title Co.on 1st day of June A. D. 1978 at 3:40 o'clock PM, andduly recorded in Vol. M78, of Mortgages on Page 11720

Wm D. MILNE, County Clerk  
 By Bernice A. DeLoach

Fee \$9.00