

03-11320

38-15689

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THIS TRUST DEED made this 26th day of July 1973, between ARTHUR E. POMOLI and BRENDI E. POMOLI, 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 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: A parcel of land situated N^o of NE^{1/4} of SE^{1/4} Section 1, Township 39 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows: Beginning at a 5/8" rebar which is Northwest corner of N^o of NE^{1/4} of SE^{1/4} also on East right of way of Orindale Road; thence SW^{W^{1/2}} 63° 41' 23" East a distance of 822.55 feet to 5/8" rebar and also the true point of beginning; thence South 39° 41' 23" East to the Southwesterly right of way to Highway 140; thence Southeast along said right of way to East line of Section 1; thence South 0° 18' 23" East along East line of said Section 1 to Southeast corner of N^o Of NE^{1/4} of SE^{1/4} of Section 1; thence North 39° 37' 11" West 512.70 to point along Southern line of N^o of NE^{1/4} of SE^{1/4} Section 1; thence North 00° 14' 00" West a distance of 661.55 feet to true point of beginning. A 20 foot wide road easement to above parcel described as follows: Beginning at a 5/8" rebar the South west corner of N^o of NE^{1/4} of SE^{1/4} Section 1, Township 39 South, Range 8 East of the Willamette Meridian; thence South 39° 37' 11" East a distance of 40.0 feet to 5/8" rebar, also the South line of said parcel; thence North 68° 12' 49" East a distance of 846.25 feet to West line of above described parcel. Also this is the Southerly right of way line to 20 foot road easement; thence North 0° 14' West 21.5 feet along said East line of above parcel; thence South 68° 12' 49" West a distance of 846.25 feet to a point; thence North 39° 37' 11" West a distance of 40 feet to a point which is on the East right of way of Orindale Road; thence South 00° 08' East a distance of 20 feet to the point of beginning.

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, 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, sheds 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 assuring performance of such agreement of the grantor herein contained and the payment of the sum of **Forty Seven Thousand Two (\$47,200.00)** Dollars, with interest thereon according to the terms of a promissory note of even date hereto, payable to his beneficiary or order, and made by the grantor, principal and interest being payable in monthly installments of **.407.81** commencing

August 25th

1973

This trust deed shall further secure the payment of such additional money, if any, as may be levied hereafter by the beneficiary to the grantor or others having an interest in the above described property, as may be evidenced by one or more affidavits, save, 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 will the trustee and the beneficiary, provide 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 and 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, liens and charges 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 good workmanlike manner any building or improvement on said property which may be damaged or destroyed and pay, when due, all costs incurred therefore; to allow beneficiary to inspect said property at all times during construction; to replace any work or materials unsatisfactory to beneficiary, within fifteen (15) days after written notice from beneficiary of such fact; not to remove any existing 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 repair or replace any waste of said premises; to keep all buildings, property and improvements now or hereafter erected on said premises sufficiently insured against fire or loss or damage and as the beneficiary may from time to time require, in a sum not less than the original principal sum of the note or obligation secured by this trust deed, in a company or companies acceptable to the beneficiary, and to deliver the original policy of insurance to yourself, form and with approved loss payable clause in favor of the beneficiary attached and will personally pay, to the principal place of business of the beneficiary, at least thirty (30) days prior to the effective date of any such policy of insurance, a full and prompt payment of the beneficiary's note to the extent that the beneficiary obtains 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 security for the prompt payment of all taxes, assessments, and other charges levied against the above described property and insurance premiums with the beneficiaries secured here, in case of loss of the lesser of the original purchase price paid by the grantor at the time the note was made or the beneficiary's original appraisal value of the property at the time the last note was made, grantor will pay to the beneficiary in addition to the monthly payments of principal and interest provided under the terms of the note or obligation secured hereby, to the date insurable, an additional amount equal to 1/12 of the taxes, assessments, and other charges paid with respect to said property while this trust deed is in force, plus interest thereon at the rate of 1% per month which was suspended three years prior to this date, if it is determined by the beneficiary that the beneficiary shall pay to the grantor the amount of a rate not to exceed the highest rate authorized to be paid by law on notes of similar date and quality, not exceeding 15%. If such rate is less than 15%, the rate of interest paid shall be computed so as to always exactly balance in the account and shall be paid quarterly to the grantor by crediting to the same account the amount of the interest due.

While the grantor is to pay and note all taxes, assessments and other charges levied or assessed against said property, at any part thereof, before the same begin to bear interest and also to pay premiums on all insurance policies upon said property, when premiums 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 assessed against said property in the amounts and places where assessments thereto furnished by the collector of such taxes, assessments or other charges, and to buy the insurance premiums in the amounts shown on the beneficiary's statement as the insurance carrier or their representative and to withdraw the same which may be required from the same 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 avoided out of a deficit in any insurance policy, and the beneficiary hereby is covenanted, in the event of any loss in consequence and while with any insurance company, to apply any such insurance receipts upon the obligations secured by this trust deed, in computing the amount of the indebtedness for unpaid and unfurnished in full at such rate as other

assemblies 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 his option set 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 his option carry out the same, and all its expenditures therefor shall draw interest at the rate specified in the note, shall be recoverable by the grantor on demand and shall be secured by the item of this trust deed. In this connection, the beneficiary shall have the right in its discretion to complete tax-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 the trustee, 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 attorney's fees actually incurred to appear in and defend any action or proceeding purporting to affect the security of the right or power of the beneficiary to collect 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 statement 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 proceedings, or to make any compromise or settlement in connection with such proceedings, and if so elected, to require that all or any portion of the money so paid as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessary paid or incurred by the grantor in such proceedings, shall be paid to the beneficiary and apportioned by it first from any remaining interest and expense and attorney's fees necessarily paid or incurred by the beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby, unless the grantor agrees, at his own expense, to bear 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, or at least at his first and thereafter annually thereafter, without affecting the indebtedness, the grantor, for the payment of the indebtedness, may be required to the number of 25% plus plus of said property: (a) for the payment of any assessment or taxation and restricted thereon; (b) to file in our records or other appropriate office the deed or the fee or charge imposed; (c) recover, without warranty, all or any part of the property, the trustee to say recovery, to be described as the "person or persons legally entitled thereto" and the trustee's search of any matter or facts shall be conclusive proof of the truthfulness of the trustee's fees for any of the services in this paragraph shall be \$50.00.

3. As additional security, grantor hereby assigns to beneficiary during the continuance of this trust all rents, leases, royalties and profits of the property affected by this deed and of any personal property located therein. This 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 rents, leases, royalties and profits earned prior to default as they become due and payable. These may default by the grantor hereunder, the beneficiary may at any time without notice either in person, by agent or by a receiver, be compensated by a court and without regard in the adequacy of any security for the indebtedness hereby secured, cause upon and take possession of said property or any part thereof, in its own name and for or otherwise collect the rents, leases 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, in such order as the beneficiary may determine.

