

54956

DEED OF TRUST

This form is used in connection with deeds of trust insured under the one-to-four-family provisions of the National Housing Act.

THIS DEED OF TRUST, made this 13 day of SEPTEMBER, 1988,between RICHARD A. GAY AND CAROL A. GAYHUSBAND AND WIFE

, as grantor,

whose address is 5643 JARYAN AVENUE
(Street) (City) (State) (Zip)KLAMATH FALLS
(City)

State of Oregon,

TENNESSEE TITLE INSURANCE CO.

, as Trustee, and

FIRST NATIONAL BANK OF OREGON

, as Beneficiary.

The rights and obligations of the parties under this instrument are expressly made subject to the provisions of the Addendum attached to the Deed of Trust. In the event of any conflict between the provisions of this Addendum and the printed provisions of this instrument, the conditions of the Addendum shall control.

R. A. GAY
Initial

C. A. GAY
Initial

Grantors, in consideration of the indebtedness herein recited and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County of KLAMATH State of Oregon:

LOT 12, POOLE ESTATES, IN THE COUNTY OF KLAMATH, STATE OF OREGON.

which said described property is not currently used for agricultural, timber or grazing purposes.

Together with all the covenants, hereditaments, and appurtenances now or hereafter thereto belonging or in anywise appertaining, the rents, issues, and profits thereof, SUBJECT, HOWEVER, to the right, power, and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues, and profits.

TO HAVE AND TO HOLD the same, with the appurtenances, unto Trustee.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor herein contained and payment of the sum of \$ 36,000.00 with interest thereon according to the terms of a promissory note, dated SEPTEMBER 13, 1988, payable to Beneficiary or order and made by Grantor, the final payment of principal and interest thereof, if not sooner paid, shall be due and payable on the first day of OCTOBER, 2008.

1. Privilege is reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity. Provided, however, That written notice on an intention to exercise such privilege is given at least thirty (30) days prior to prepayment.

2. Grantor agrees to pay to Beneficiary in addition to the monthly payments of principal and interest payable under the terms of said note, on the first day of each month until said note is fully paid, the following sums:

(a) An amount sufficient to provide the holder hereof with funds to pay the next mortgage insurance premium if this instrument and the note secured hereby are insured, or a monthly charge (in lieu of a mortgage insurance premium) if they are held by the Secretary of Housing and Urban Development as follows:

(i) If and so long as said note of even date and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the holder one (1) month prior to its due date the annual mortgage insurance premium, in order to provide such holder with funds to pay such premium to the Secretary of Housing and Urban Development pursuant to the National Housing Act, as amended, and applicable Regulations thereunder; or

(ii) If and so long as said note of even date and this instrument are held by the Secretary of Housing and Urban Development, a monthly charge (in lieu of a mortgage insurance premium) which shall be an amount equal to one-twelfth (1/12) of one-half (1/2) per centum of the average outstanding balance due on the note computed without taking into account delinquencies or prepayments;

(b) A sum, as estimated by the Beneficiary, equal to the ground rents, if any, and the taxes and special assessments next due on the premises covered by this Deed of Trust, plus the premiums that will next become due and payable on policies of fire and other hazard insurance on the premises covered hereby, as may be required by Beneficiary in amounts and in a company or companies satisfactory to Beneficiary. Grantor agreeing to deliver promptly to Beneficiary all bills and notices therefor, less all sums already paid therefor divided by the number of months to elapse before a month prior to the date when such ground rents, premiums, taxes and assessments will become delinquent, such sums to be held by the Beneficiary in trust to pay said ground rents, premiums, taxes and special assessments, before the same become delinquent, and

(c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid each month in a single payment to be applied by Beneficiary to the following items in the order set forth:

(i) premium charges under the contract of insurance with the Secretary of Housing and Urban Development, or monthly charge (in lieu of mortgage insurance premium) if they are held;

(ii) ground rents, if any, taxes, special assessments, fire and other hazard insurance premiums;

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this Deed, declaring the same said note and this Deed, being deemed conclusive proof of such indebtedness, or should the commitment of the Department of Housing and Urban Development to insure this loan cease to be in full force and effect for any reason whatsoever, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale, and of written notice of default and of election to cause the property to be sold, which notice if not complied with shall cause to be duly filed for record. Beneficiary shall also deposit with Trustee this Deed, the note and all documents evidencing expenditures secured hereby.

20. After the lapse of such time as may then be required by law following the recording of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Grantor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine (but subject to any statutory right of Grantor to direct the order in which such property, if consisting of several known lots or parcels, shall be sold), at public auction to the highest bidder for cash in legal money of the United States, payable at 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. Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the Deed of any nature or fact shall be conclusive proof of the fulfillment thereof. Any person, including Grantor, or Beneficiary, may purchase at the sale. After deducting all costs, fees, and expenses of Trustee and of this trust, including cost of title evidence and reasonable attorney's fees, in connection with sale, Trustee shall apply the proceeds of sale to the payment of all sums expended under the terms hereof not then repaid, with accrued interest at the rate provided in the principal debt; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

21. Beneficiary may, from time to time, as provided by statute, appoint another Trustee in place and instead of Trustee herein named, and thereupon the Trustee herein named shall be discharged and Trustee so appointed shall be substituted as Trustee hereunder with the same effect as if originally named Trustee herein.

22. This Deed shall inure to and bind the heirs, legatees, devisees, administrators, executors, successors, and assigns of the parties hereto. All obligations of Grantor hereunder are joint and several. The term "Beneficiary" shall mean the owner and holder, including pledgees, of the note secured hereby, whether or not named as Beneficiary herein.

23. Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made public record as provided by law. 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 Grantor, Beneficiary, or Trustee shall be a party, unless brought by Trustee.

24. The term "Deed of Trust," as used herein, shall mean the time as, and be synonymous with, the term "Trust Deed," as used in the laws of Oregon relating to Deeds of Trust and Trust Deeds. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

25. Attorney's fees, as used in this Deed of Trust and in the Note, "Attorney's Fees" shall include attorney's fees, if any, which shall be awarded by any appellate Court.

Richard A. Gay Carol A. Gay
RICHARD A. GAY Secretary of Grantor. CAROL A. GAY Signature of Grantor.

STATE OF OREGON
COUNTY OF Klamath

I, the undersigned, A NOTARY PUBLIC, hereby certify that on this 13 day of SEPTEMBER, 1978, personally appeared before me

RICHARD A. GAY AND CAROL A. GAY

to me known to be the individual described in and who executed the within instrument, and acknowledged that THEY signed and sealed the same as THEIR free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal the day and year last above written.

Lee Nelson
Notary Public in and for the State of Oregon.

My commission expires 2-3-79

REQUEST FOR FULL RECONVEYANCE

Do not record. To be used only when note has been paid.

TO THE TRUSTEE:

The undersigned is the legal owner and holder of the as and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, is now fully paid and satisfied, and you are hereby requested and directed on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you in the premises.

Date: _____

Mail reconveyance to:

STATE OF OREGON
COUNTY OF Klamath

I hereby certify that this within Deed of Trust was filed in this office for Record on the 14th day of September, A.D. 1978, at 10:56 o'clock A.M., and was duly recorded in Book M78 of Record of Mortgages of Klamath County, State of Oregon, on

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Wm. D. Haine

Benjamin Shick
Recorder.
Deputy.

Fee \$9.00

FHA-21591 (1-77)