

55717

# DEED OF TRUST

THIS DEED OF TRUST, made this 27 day of SEPTEMBER, 1978

Between ROBERT E. KELLY

whose address is ACACIALMONT DRIVE  
(Street and number)

KLAMATH FALLS  
(City)

State of Oregon,

TRANSAMERICAN 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.

Initial

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

LOT 23, CASITAS, 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, conditions, and appurtenances now or hereafter thereunto 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 \$ 25,750.00 with interest thereon according to the terms of a promissory note, dated SEPTEMBER 27 1978, 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:

(A) If and so long as said note and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to reimburse in its hands of the holder two (2) months prior to its due date the annual mortgage insurance premium, in order 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

(B) If and so long as said note 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 in an amount equal to one-twelfth (1/12) of one-half (1/2) per centum of the average price on the note computed without taking into account delinquencies or prepayments;

(C) 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 thereafter decided by the Beneficiary, such sums to be held by the Beneficiary in trust to pay said ground rents, premiums, taxes and special assessments, before the next due date of such taxes, assessments, and premiums.

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

(1) mortgage charges;  
(2) ground rents, if any;  
(3) taxes, assessments, and special assessments, and other hazard insurance premiums;

(10) interest on the same as provided hereby; and  
(11) amortization of the principal of the said loan.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good prior to the due date of the next such payment, constitute a default under this Deed of Trust.

3. In the event that any payment or portion thereof is not paid within fifteen (15) days from the date the same is due, Grantor agrees to pay a "late charge" of four cents (\$4) for each dollar so overdue, if charged by Beneficiary.

4. If the total of the payments made by Grantor under (b) of paragraph 2 preceding shall exceed the amount of payments actually made by Beneficiary for ground rents, taxes or assessments, or insurance premiums, as the case may be, such excess, if the loan is current, at the option of the Grantor shall be credited on subsequent payments to be made by Grantor, or refunded to the Grantor. If, however, the monthly payments made by Grantor are not sufficient to pay ground rents, taxes, and assessments, and insurance premiums, as the case may be, when the same shall become due and payable, then Grantor shall pay to Beneficiary any amount necessary to make up the deficiency on or before the date when payment of such ground rents, taxes, and assessments, or insurance premiums shall be due. If at any time Grantor shall tender to Beneficiary, in accordance with the provisions hereof, full payment of the entire indebtedness secured hereby, Beneficiary shall, in computing the amount of indebtedness, credit to the account of Grantor all payments made under the provisions of (a) of paragraph 2, which the Beneficiary has not become obligated to pay to the Secretary of Housing and Urban Development, and any balance remaining in the funds accumulated under the provisions of (b) of paragraph 2 hereof. If there shall be a default under any of the provisions of this Deed of Trust and thereafter a sale of the premises in accordance with the provisions hereof, or if the Beneficiary acquires the property otherwise after default, Beneficiary shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under said note and shall properly adjust any payments which shall have been made under (a) of paragraph 2.

**TO PROTECT THE SECURITY OF THIS DEED OF TRUST, GRANTOR AGREES:**

5. To keep said premises in good order and condition as they now are and not to commit or permit any waste thereof, damaged, or destroyed thereon, and pay when due all costs incurred therefor, and, if the loan secured hereby or any part thereof is being obtained for the purpose of financing construction of improvements on said property, Grantor further agrees:

(a) to commence construction promptly and in good workmanlike manner any building or improvement which may be constructed, and complete same in accordance with plans and specifications satisfactory to Beneficiary, within fifteen (15) calendar days after written notice from Beneficiary of such fact, which notice may be given to the Grantor by registered mail, sent to his last known address, or by personal service of the same;

(b) to allow Beneficiary to inspect said property at all times during construction, on the construction of such improvements for any reason whatsoever for a period of fifteen (15) calendar days;

(c) to replace any work or materials unsatisfactory to Beneficiary, within fifteen (15) calendar days after written notice from Beneficiary of such fact, which notice may be given to the Grantor by registered mail, sent to his last known address, or by personal service of the same;

(d) that work shall not be commenced until an affidavit signed by Beneficiary, setting forth facts showing a default by Grantor under this deed, is presented to the Secretary of Housing and Urban Development, and the Secretary of Housing and Urban Development is satisfied that the facts so stated are true and conclusive all facts and statements therein, and to act thereon hereunder.

6. To comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting said property.

7. Not to remove or demolish any building or improvement thereon, or to alter the same in any manner, and to deliver all policies to Beneficiary, which as may be required from time to time by the Beneficiary in such amounts and for such periods as may be required by the Beneficiary, and Grantor, as their interests may appear, and to deliver all policies to Beneficiary, which delivery shall constitute an assignment to Beneficiary of all return premiums.

8. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and should Beneficiary or Trustee elect to also appear in or defend any such action or proceeding, to pay all costs and expenses, including costs of foreclosing, and all rents, assessments and charges for water, appurtenant to the property, which at any time appear to be prior or superior hereto; to pay all costs, fees, and expenses of this trust.

9. To pay at least 10 days before delinquency all assessments upon water company stock, and all rents, assessments and charges for water, appurtenant to the property, which at any time appear to be prior or superior hereto; to pay all costs, fees, and expenses of this trust.

10. To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the rate provided in the principal debt, and the repayment thereof shall be secured hereby.

11. To do all acts and make all payments required by Beneficiary or Trustee under the provisions of the National Housing Act and amendments thereto, and agrees not to do, or cause or suffer to be done, any act which will void such insurance during the existence of this Deed.

**IT IS MUTUALLY AGREED THAT:**

12. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation to do so and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(a) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(b) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(c) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(d) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(e) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(f) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(g) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(h) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(i) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(j) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(k) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(l) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(m) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(n) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(o) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(p) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(q) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(r) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(s) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(t) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(u) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(v) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

(w) take or demand upon Grantor and without releasing Grantor from any obligation hereof, may:

This Deed, declaring to be in full payment of the loan secured hereby, and being deemed conclusive proof of such ineligibility), 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 notice of default and for sale, and of written notice of default and of election to cause the property to be sold, which notice Trustee shall cause to be duly filed for record. Beneficiary shall also deposit with Trustee this Deed, the note and all documents evidencing expenditures to date hereof.

21. After the lapse of such time as may then be required by law following the recordation 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 bid for cash in lawful 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 as sold, but without any covenant or warranty, express or implied. The recitals in the Deed of any matter or fact shall be conclusive proof of the truthfulness 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, if any, to the persons or persons legally entitled thereto.

22. 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.

23. This Deed shall part 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.

24. Trustee accepts this Deed as full and complete satisfaction of 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.

25. The term "Deed of Trust" as used herein, shall mean the same 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.

26. Attorney's fees, if any, in this Deed of Trust and in the Note, "Attorney's Fees" shall include attorney's fees, if any, which shall be awarded by an Appellate Court.

BENJAMIN E. KELLY  
STATE OF OREGON  
COUNTY OF CLATSOP

Signature of Grantor

Signature of Grantor.

I, the undersigned,

27

day of

A. NOTARY PUBLIC

SEPTEMBER

19

78,

personally appeared before me

, hereby certify that on this

BENJAMIN E. KELLY

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

(Given under my hand and seal of said office on the day and year last above written.)

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.

#### FOR THE TRUSTEE:

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied, and you are hereby requested and directed on payment to you of said Deed of Trust delivered to you, 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 said land and premises hereinafter described.

Date:

19

Reconveyance to:

STATE OF OREGON  
COUNTY OF CLATSOP

I hereby certify that this Deed of Trust was filed in this office for Record on the 27th day of September A.D. 1978 at 4:03 o'clock P.M., and was duly recorded in Book M78 of Records of Mortgages of Clatsop County, State of Oregon, on page 21514.

W. D. Milne County Clerk

Recorder.

Deputy.

Fee \$9.00

FHA-2169t (1-77)