

THIS TRUST DEED, made this 24th day of October, 1978, between  
TOMMY L. HARRIS and PATRICIA D. HARRIS, husband and wife,  
as grantor, William Sisemore, 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:

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 5, Block 10, FIRST ADDITION TO KLAMATH RIVER ACRES,  
in the County of Klamath, State of Oregon.

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

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, venting, 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 the performance of each agreement of the grantor herein contained and the payment of the sum of FOORTY-ONE THOUSAND TWO HUNDRED AND NO/100 (\$ 41,200.00) 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 \$ 363.38 commencing March 25 1999 and the account shall be credited to

This trust deed shall further secure the payment of such additional money, if any, as may be demanded hereafter by the beneficiary to the grantor or other person having an interest in the above described property, as may be evidenced by a note or notes. If the indebtedness secured by this 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, his heirs and his 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; to keep said property free from all liens and claims of third parties; to complete all buildings in course of construction; to complete all buildings heretofore 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 workmanship all buildings now or hereafter damaged or destroyed and pay, when due, all said property taxes and assessments; to allow beneficiary to inspect said property at all costs incurred therefore; to allow beneficiary to inspect said property at all costs incurred therefore; to replace any workmanship found to be unsatisfactory within fifteen days after written notice from beneficiary of such fact; not to remove or demolish any building or improvements now or hereafter constructed on said premises; to keep all buildings and improvements in good repair; not to remove or demolish any building or improvements now or hereafter erected upon said property in good repair; to permit or suffer construction of buildings and improvements on said property; to permit or suffer no waste of said premises; to keep all buildings and improvements insured against loss now or hereafter erected on said premises continuously insured against loss by fire and such other hazards as the beneficiary may from time to time determine; to assume not less than the original principal sum of the policy of insurance secured by this trust deed, in a policy of insurance in correct form and with approval, and to deliver to the beneficiary, at the time of maturity of said policy, and to deliver to the beneficiary, at the time of maturity of said policy, the proceeds of said policy, in full payment of the principal sum of the policy, at least fifteen days prior to the effective date of maturity of said policy; to assume said policy of insurance and to tender the beneficiary may in its own discretion obtain advance payment for the benefit of the beneficiary, which advance payment shall not be cancellable by the grantor during the full term of the policy thus obtained.

In order to provide regularly for the prompt payment of said taxes, assessments or other charges and insurance premiums, the grantor agrees to pay to the beneficiary, together with and in addition to the monthly payments of principal and interest payable under the terms of the note or obligation secured hereby, an amount equal and payable with respect to said property within each month, and also one-thirty-sixth (1/36th) of the insurance premiums and other charges due and payable with respect to said property within each month, and also one-thirty-sixth (1/36th) of the insurance premiums payable with respect to said property within each succeeding three years while this trust deed remains in effect, as estimated and as required for the such sums to be credited to the principal of the loan until required for the several purposes thereof of the beneficiary; the sums so paid shall be applied to the loan; or, at the option of the beneficiary, the sums so paid shall be paid to the beneficiary in trust as a reserve account, without interest, to pay said premiums, taxes, assessments or other charges when they shall become due and payable.

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 the by the insurance carriers or their representatives, to charge said sums to the principal of the loan or to withdraw the sums which may be required from the reserve account, if any, of the beneficiary responsible for failure to have any insurance, written or otherwise, in force, or to hold any insurance, or to apply any insurance, policy, or the beneficiary hereby is authorized, in the event of any loss, written or otherwise, or damage growing out of a defect in any insurance, to compromise and settle with any insurance company or companies, and to compute the amount of the indebtedness as provided 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 the reserve account for taxes, assessments, insurance premiums and other charges is not sufficient at any time for the payment of such charges and the beneficiary 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 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 draw interest at the rate specified in the note, shall be repayable by the grantor on demand and shall be secured by the note, in its discretion to complete this connection, the beneficiary shall have the right in its discretion to make 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 of this trust, including the cost of title search, as well as costs and expenses of the trustee incurred in connection with the performance of his duties; and to pay all costs and expenses actually incurred; in enforcing this obligation, and trustee's and attorney's fees actually incurred; to appear in and defend any action or proceeding purporting to affect the security hereof or the title to the property of the beneficiary or trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees, incurred in any action or proceeding brought by or against the beneficiary or trustee to be fixed by the court, in any action or proceeding brought by or against the beneficiary or trustee to appear and in any suit brought by beneficiary; the beneficiary of this deed, and all said sums shall be secured by this trust deed; 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 statements of account.

It is mutually agreed that:

[illegible]

2. At any time and from time to time upon written request of the beneficiary, payment of its fees and presentation of this deed and the note for endorsement, (b) in case of full reconveyance, for cancellation), without affecting the indebtedness, the trustee shall, at the request of the mortgagor, (c) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any other interest hereon, (c) join in any subordination or modification of the mortgage hereon, (d) execute and deliver any deed, reconveyance, or other instrument affecting this deed or the lien or charge hereof; (d) reconvey, or cause to be reconveyed, the property hereon to the mortgagor, (e) execute and deliver any warranty, all or any part of the property. The grantor, "entitled thereto" and any may be described as the "person" or "persons" entitled to the fee simple and the recitals of this deed, and the facts shall be conclusive proof of the truth of the recitals thereof. Trustee's fees for any of the services in this paragraph shall be \$5.00.

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. Until prantor shall default in the payment of the indebtedness secured hereby or in grantor shall default in the payment of the indebtedness secured hereby or in the performance of any other agreement hereunder, grantor shall have the right to collect all such rents, issues, royalties and profits earned prior to default and to become due and payable. Upon any default by the grantor hereunder, the beneficiary may at any time without notice, either in person or by its attorney or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness herein secured, enter upon and take possession of said property, or any part thereof, in its own name sue for or otherwise collect the rents, issues, royalties and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including the 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 trustees 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 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.

IN WITNESS WHEREOF, said grantor has hereunto set his hand and seal the day and year first above written.

STATE OF OREGON

County of Klamath } ssTHIS IS TO CERTIFY that on this 24th day of October1978, before me, the undersigned, aNotary Public in and for said county and state, personally appeared the within named Tommy L. Harris and Patricia D. Harris, husband and wifeto 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.

Notary Public for Oregon

My commission expires: 3/29/81

Loan No. \_\_\_\_\_

## TRUST DEED

TO Grantor

Klamath First Federal Savings  
AND LOAN ASSOCIATION

Beneficiary

After Recording Return To:

Klamath First Federal Savings  
AND LOAN ASSOCIATION(DON'T USE THIS  
SPACE; RESERVED  
FOR RECORDING  
LABEL IN COUN-  
TIES WHERE  
USED.)

STATE OF OREGON

County of Klamath } ss.I certify that the within instrument  
was received for record on the 24th  
day of October, 1978,  
at 3:45 o'clock P.M., and recorded  
in book M78 on page 23921.  
Record of Mortgages of said County.Witness my hand and seal of County  
affixed.

Wm. D. Milne

County Clerk

By Bernetha S. Letsch

Deputy

Fee \$8.00

## REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: William Sisemore, 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 &amp; Loan Association; Beneficiary

DATED: \_\_\_\_\_

19\_\_\_\_

by \_\_\_\_\_