

**April**

19 **79** . . . . ., between

THIS TRUST DEED, made this 23rd day of

DEED, made this 23rd day of April 1941  
 THOMAS A. WASSON and JUDITH M. WASSON, 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:

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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 17 of HAGER ACRES and also one acre of ground, more or less, in the County of Klamath, State of Oregon, described as follows: Beginning at a point at the Northwest corner of the NE $\frac{1}{4}$  of SE $\frac{1}{4}$  of Section 12, Township 39 South, Range 9 East of the Willamette Meridian; thence East 460 feet; thence South 190 feet to the Northwestern line of the O.C.E. Railway right of way; thence Northwesterly along said right of way line to the place of beginning.

SAVING AND EXCEPTING THEREFROM that portion lying within the right of way of the O.C. & E. Railway.

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 earnings, 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 Twenty Eight Thousand (\$ 28,000.00) 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 \$ 257.32 commencing May 19 1978

This trust deed shall further secure the payment of such additional money, if any, as may be demanded hereunder by the beneficiary to the grantor or others having an interest in the above described property, as may be shown to be secured by note or notes. If the indebtedness secured by this trust deed is evidenced by note or notes, the beneficiary may credit payments received by it upon 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 covered 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 whosoever.

[illegible]

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 on principal and interest payable under the terms of the note or obligation secured hereby 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 on the property and to 1/12 of the insurance premium payable within each succeeding 12 months and also 1/12 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 paid for by the beneficiary. Beneficiary shall pay to the grantor interest on bank accounts 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 the 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's assessments and other charges levied or imposed on the beneficiary to pay any and all taxes, assessments and other charges thereof. Furnished by the grantor against said property, the amounts as shown by the statements thereof, furnished by the collector of such taxes, assessments or other charges, and by the Insurance Company, the grantor, in the amounts shown on the statements submitted by the Insurance Company, or their representatives, and to withdraw the sums which may be realized from the reserve account, if any, established for that purpose. The grantor is authorized in no event to hold the beneficiary responsible for failure to have such insurance policy, and the beneficiary hereby is authorized, in the event of a defect in said insurance policy, and the beneficiary hereby is authorized, in the event of a defect in said insurance policy, to compromise and settle with any insurance company and to sign 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 premiums and other charges is not sufficient to pay the time of 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 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 expenditure therefor for such purpose shall be a charge against the principal of the trust. In addition, the beneficiary shall have the right, in its discretion, to complete 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 the other costs and expenses of the trustee incurred in connection with or 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 rights or powers of the beneficiary or trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees, in 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 statements of account.

It is mutually agreed that:

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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, sue, or defend any action or proceedings, or to make any compromise, settlement in connection with such taking and, if it so elects, to require that all or any portion of the money's such taking and, if it so elects, to require that all or any portion of the amount repayable 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 the grantor to any reasonable costs and expenses and attorney's fees necessarily paid or incurred by the beneficiary in such proceedings. The balance shall be paid or applied upon the indebtedness secured hereby; and the grantor agrees, at its own expense, to take 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, payment of its fees and presentation of this deed and the note for enforcement (in case of non-payment of the indebtedness, the trustee may sue) and a person for the payment of the indebtedness, (b) join in granting consent to the making of any map or plat of said property; (c) join in any subordination any easement or creating any other interest in the property; (d) recover, or other agreement or warranty, all or any part of the property. The phrase "beneficiary" may be described as the person or persons who are entitled thereto; and the recitals therein or hereon or facts shall be conclusive proof of the truth of the same. Trustee's fees for all of the services in this paragraph shall be \$5.00.

shall be \$5.00.

9. 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 grantor shall default in the payment of said indebtedness secured hereby or if grantor shall default in any agreement made hereunder, grantor shall have the right to collect the performance of any agreements made hereunder, and 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, the same shall become due and payable at any time without notice, either in person or by a receiver may be appointed by a court, and without regard to the adequacy of any collateral to be appointed by a court, and upon take and possession of security for the indebtedness hereby secured, entered upon and take or otherwise collect said property, or any part thereof, including those past, due and unpaid, and apply the same to the interest 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.

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 trustee 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 the obligations secured thereby (including costs and expenses actually incurred 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.

9. When the Trustee sells pursuant to the powers provided herein, the trustee shall apply the proceeds of the trustee's sale as follows: (1) To the expenses of the sale including the compensation of the trustee, and a reasonable charge by the attorney. (2) To the obligation secured by the trust deed. (3) To all persons having recorded liens subsequent to the interests of the trustee in the trust deed as their interests appear in the order of their priority. (4) The surplus, if any, to the grantor of the trust deed or to his successor in interest entitled to such surplus.

10. For any reason permitted by law, the beneficiary may from time to time appoint a successor or successors to any trustee named herein, or to any successor trustee appointed hereunder. Upon such appointment and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each by the beneficiary, containing reference to this trust deed and its place of record, which, when recorded in the office of the county clerk or recorder of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

11. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record, as provided by law. The 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 the grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by the trustee.

12. This deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees devisees, administrators, executors, successors and assigns. The term "beneficiary" shall mean the holder and owner, including pledgee, of the note secured hereby, whether or not named as a beneficiary herein. In construing this deed and whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

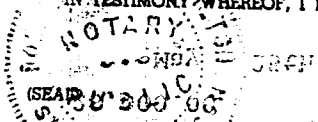
STATE OF OREGON  
County of Klamath ss.

THIS IS TO CERTIFY that on this 23rd day of April, 19 79, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named

**THOMAS A. WASSON and JUDITH M. WASSON, husband and wife**

to me personally known to be the identical individual 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.



*Douglas Burt Hamilton*  
Notary Public for Oregon  
My commission expires: 3/20/81

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|--|--|--|--|
| Loan No. _____   |  | STATE OF OREGON<br>County of <u>Klamath</u> } ss.  |  |
| <b>TRUST DEED</b>  |  | I certify that the within instrument was received for record on the <u>24th</u> day of <u>April</u> , 19 <u>79</u> , at <u>10:57</u> o'clock <u>A</u> . M., and recorded in book <u>M79</u> on page <u>9247</u> .<br>Record of Mortgages of said County. |  |
| TO Grantor<br><b>KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION</b>  |  | Witness my hand and seal of County<br><u>Wm. D. Milne</u> County Clerk<br><u>Bernita A. Ketch</u> Deputy   |  |
| Beneficiary<br><b>KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION</b> |  |  |  |

TO: William Sitemors, \_\_\_\_\_, 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 & Loan Association, Beneficiary

DATED: 23rd day of April, 19 79