Subject, however, to the following:

1. Regulations, including levies, assessments, water and irrigation rights and easements for ditches and canals, of Enterprise Irrigation District.

2. Regulations, including levies, liens and utility assessments of the City of Klamath Falls.

3. Regulations, including levies, liens, assessments, rights of way and easements of the South Suburban Sanitary District.

4. An easement created by instrument, including the terms and provisions thereof,

| | | |
|---|---|---|
| Dated | : | December 18, 1961 |
| Recorded | : | December 18, 1961 Book: 334 Page: 413 |
| For | : | Right of way 6 feet wide off the Easterly side of the above described tract for irrigation lateral |

5. An easement created by instrument, including the terms and provisions thereof,

| | | |
|---|---|---|
| Dated | : | December 18, 1961 |
| Recorded | : | December 18, 1961 Book: 334 Page: 413 |
| Dated | : | August 20, 1963 |
| Recorded | : | March 23, 1964 Book: 351 Page: 633 |
| For | : | Right of way for road across West 25 feet of herein described property |

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Transamerica Title Co.

this 12th day of June A.D. 1979 at 3:33 o'clock P M., and

duly recorded in Vol. M79, of Deeds on Page 14000

WM. D. MILNE, County Clerk

By [signature]

Fee [illegible]

13 day of JUNE , 1979 ,

, as grantor,

KLAMATH FALLS State of Oregon,
(City)

COMPANY , as Trustee, and

SON , as Beneficiary.

rties under this instrument are expressly made subject to the provisions of the

In the event of any conflict between the provisions of this Addendum and

the conditions of the Addendum shall control.

Initial

e indebtedness herein recited and the trust herein created, irrevocably grants

power of sale, the following described property located in the County of

MAD

ection Township 39 South, Range 9 East of the Willamette

State of Oregon, described as follows: Beginning at a point on

feet East of the Southwest corner of said SE¼ of the NW¼

line of said SE¼ of NW¼ 320 feet to the Southwest corner of

place of beginning of this description; thence from said place

e North line of said SE¼ of NW¼ 165 feet; thence North and para

NW¼ 100 feet; thence West and parallel to the North line of

SE¼ of NW¼ 100 feet to

used for agricultural, timber or grazing purposes.

s, and appurtenances now or hereafter thereunto belonging or in anywise appertaining,

ECT, HOWEVER, to the right, power, and authority hereinafter given to and conferred

the issues, and profits.

the appurtenances unto Trustee.

ERFORMANCE of each agreement of Grantor herein contained and payment of the sum

HUNDRED AND NO/100 Dollars ($ 24,200.00 ),

a promissory note, dated JUNE 13 , 1979 ,

Grantor, the final payment of principal and interest thereof, if not sooner paid, shall be

JULY , 2009

in whole, or in an amount equal to one or more monthly payments on the principal that

any month prior to maturity, *Provided, however*, That written notice on an intention to

30) days prior to prepayment.

y in addition to the monthly payments of principal and interest payable under the terms

ntil said note is fully paid, the following sums:

e holder hereof with funds to pay the next mortgage insurance premium if this instru-

d, or a monthly charge (in lieu of a mortgage insurance premium) if they are held by the

as follows:

and this instrument are insured or are reinsured under the provisions of the National Housing Act, an

e hands of the holder one (1) month prior to its due date the annual mortgage insurance premium, in

unds to pay such premium to the Secretary of Housing and Urban Development pursuant to the

d applicable Regulations thereunder; or

and this instrument are held by the Secretary of Housing and Urban Development, a monthly charge

mium) which shall be in an amount equal to one-twelfth (1/12) of one-half (1/2) per centum of the

e note computed without taking into account delinquencies or prepayments;

ary, equal to the ground rents, if any, and the taxes and special assessments next due on

plus the premiums that will next become due and payable on policies of fire and other

rty, as may be required by Beneficiary in amounts and in a company or companies satis-

deliver promptly to Beneficiary all bills and notices therefor, less all sums already paid

elapse before 1 month prior to the date when such ground rents, premiums, taxes and

ms to be held by the Beneficiary in trust to pay said ground rents, premiums, taxes and

elinquent; and

d preceding subsections of this paragraph and all payments to be made under the note

he aggregate amount thereof shall be paid each month in a single payment to be applied

ed therein:

surance with the Secretary of Housing and Urban Development, or monthly charge (in lieu of

e may be;

ents, fire and other hazard insurance premiums;

e monthly payment shall, unless made good prior to the due date of the next
eed of Trust
of is not paid within fifteen (15) days from the date the same is due, Grantor
llar so overdue, if charged by Beneficiary.
under (b) of paragraph 2 preceding shall exceed the amount of payments
assessments, or insurance premiums, as the case may be, such excess, if the
d on subsequent payments to be made by Grantor, or refunded to the Grantor. If,
agraph 2 preceding shall not be sufficient to pay ground rents, taxes, and
, when the same shall become due and payable, then Grantor shall pay to
iency on or before the date when payment of such ground rents, taxes,
y time Grantor shall tender to Beneficiary, in accordance with the provisions
ereby, Beneficiary shall, in computing the amount of indebtedness, credit to
isions of (a) of paragraph 2, which the Beneficiary has not become obligated
t, and any balance remaining in the funds accumulated under the provisions
nder any of the provisions of this Deed of Trust and thereafter a sale of the
e Beneficiary acquires the property otherwise after default, Beneficiary shall
edings, or at the time the property is otherwise acquired, the balance then
ph 2 preceding, as a credit against the amount of principal then remaining
ents which shall have been made under (a) of paragraph 2.

ST, GRANTOR AGREES:

ndition as they now are and not to commit or permit any waste thereof,
rkmanlike manner any building or improvement which may be constructed,
ts incurred therefor, and if the loan secured hereby or any part thereof is
improvements on said property, Grantor further agrees:
event within 30 days from the date of the commitment of the Department
accordance with plans and specifications satisfactory to Beneficiary,
l times during construction,
to Beneficiary, within fifteen (15) calendar days after written notice from
Grantor by registered mail sent to his last known address, or by personal
such improvements for any reason whatsoever for a period of fifteen (15)
by Beneficiary, setting forth facts showing a default by Grantor under this
nclusive all facts and statements therein, and to act thereon hereunder.
ement thereon
ovenants, conditions, and restrictions affecting said property.
fire and other hazards, casualties, and contingencies including war damage
which amounts and for such periods as may be required by the Beneficiary,
r interests may appear, and to deliver all policies to Beneficiary, which
return premiums.
ding purporting to affect the security hereof or the rights or powers of
elect to also appear in or defend any such action or proceeding, to pay all
torney's fees in a reasonable sum incurred by Beneficiary or Trustee.
assessments upon water company stock, and all rents, assessments and
th said property; to pay, when due, all encumbrances, charges, and liens
at any time appear to be prior or superior hereto, to pay all costs, fees, and
expended hereunder by Beneficiary or Trustee, with interest from date of
he repayment thereof shall be secured hereby.
Grantor and of the owner of the property to make said note and this Deed
the National Housing Act and amendments thereto, and agrees not to do,
surance during the existence of this Deed.

do any act as herein provided, then Beneficiary or Trustee, but without
Grantor and without releasing Grantor from any obligation hereof, may:
either may deem necessary to protect the security hereof, Beneficiary or
ch purposes, commence, appear in and defend any action or proceeding
wers of Beneficiary or Trustee, pay, purchase, contest, or compromise any
appears to be prior or superior hereto; and in exercising any such powers,
discretion it may deem necessary therefor, including costs of evidence of

n or damaged by reason of any public improvement or condemnation
her manner, Beneficiary shall be entitled to all compensation, awards, and
its option to commence, appear in, and prosecute in its own name, any
ment in connection with such taking or damage. All such compensation,
the proceeds of any policies of fire and other insurance affecting said
deducting therefrom all its expenses, including attorney's fees, release any
ess secured hereby. Grantor agrees to execute such further assignments of
roceeds as Beneficiary or Trustee may require.
after its due date, Beneficiary does not waive its right either to require
declare default for failure so to pay.
request of Beneficiary, payment of its fees and presentation of this Deed
e, for cancellation and retention), without affecting the liability of any
consent to the making of any map or plat of said property; (b) join in
) join in any subordination or other agreement affecting this Deed or the
ny part of the property.
e "person or persons legally entitled thereto," and the recitals therein of
ss thereof.
eficiary during the continuance of these trusts, all rents, issues, royalties,
y personal property located thereon. Until Grantor shall default in the
ance of any agreement hereunder, Grantor shall have the right to collect
lt as they become due and payable.
thout notice, either in person, by agent, or by a receiver to be appointed
y for the indebtedness hereby secured, enter upon any take possession of
otherwise collect such rents, issues and profits, including those past due
peration and collection, including reasonable attorney's fees, upon any
ary may determine. The entering upon and taking possession of said
e application thereof as aforesaid, shall not cure or waive any default or
to such notice.
dness secured hereby or in performance of any agreement hereunder, or
nder the National Housing Act within THREE months from
rtment of Housing and Urban Development or authorized agent of the
nt to THREE months' time from the date of

this Deed, declining to insure said note and this Deed, 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 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 Trustee 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.

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 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 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 so sold, but without any covenant or warranty, express or implied. The recitals in the Deed of any matters or facts 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 not then repaid, with accrued interest at the rate provided on the principal debt, all other sums then secured hereby, and the remainder, if any, to the person 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 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.

24. 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.

25. The term "Deed of Trust," as used herein, shall mean the same as, and be synonymous with, the term "Trust Deed," as used [illegible]. 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. [illegible] 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.

_______________ Signature of Grantor.

_______________ Signature of Grantor.

MARK A. HANER

STATE OF OREGON
COUNTY OF KLAMATH } ss:

I, the undersigned, A NOTARY PUBLIC, hereby certify that on this [illegible] day of JUNE, 1979, personally appeared before me MARK A. HANER, to me known to be the individual described in and who executed the within instrument, and acknowledged that HE signed and sealed the same as HIS 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.

_______________
Notary Public in and for the State of Oregon.

My commission expires 2-3-83

## REQUEST FOR FULL RECONVEYANCE

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

TO: 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 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 thereunder.

Dated _______________, 19 ____

_______________

_______________

_______________

Mail reconveyance to _______________

STATE OF OREGON
COUNTY OF KLAMATH } ss:

I hereby certify that this within Deed of Trust was filed in this office for Record on the 13th day of JUNE A.D. 1979, at [illegible] o'clock P.M., and was duly recorded in Book M79 of Mortgages, [illegible] County, State of Oregon, on page [illegible]

14002

WM. D. MILNE
Recorder.

By _______________ Deputy.

Fee $9.00

GPO 940-427

[illegible] 14005

SINGLE FAMILY MORTGAGE PURCHASE PROGRAM ADDENDUM TO DEED OF TRUST

The rights and obligations of the parties to the attached Deed of Trust and the Note which is secured by the Deed of Trust are expressly made subject to this Addendum. In the event of any conflict between the provisions of this Addendum and the provisions of the Deed of Trust or Note, the provisions of this Addendum shall control.

1. The Borrower agrees that the Lender or its assignee may, at any time and without prior notice, increase the rate of interest charged on a loan evidenced by the Deed of Trust and Note to 10.00 % per annum, or accelerate all payments due under the Deed of Trust and Note and exercise any other remedy allowed by law for breach of the Deed of Trust or Note if:

   a. The Borrower sells, rents or fails to occupy the Property as his or her permanent and primary residence; or

   b. The Borrower fails to abide by the agreements contained in the Affidavit, or if the Lender or the Division (Housing Division, Department of Commerce, State of Oregon) finds any statement contained in the Affidavit to be untrue.

   The Borrower understands that the agreements and statements of fact contained in the Affidavit are necessary conditions for the granting of this Loan, and that an increase in the interest rate of the Loan will result in an increase in the monthly payments required for this Loan.

2. The Borrower agrees that the Lender or its assignee may impose a late charge in the amount of four percent (4%) of each monthly payment of principal and interest which is more than fifteen (15) days delinquent. Late charges on FHA and VA insured loans shall be those established by the insuring agency.

3. The Borrower agrees that no Future Advances will be made under the Deed of Trust without the consent of the Oregon State Housing Division.

NOTICE TO BORROWER:

This document substantially modifies the terms of this Loan. Do not sign it unless you have read and understand it.

I hereby consent to the modifications of the terms of the Deed of Trust and Note which are contained in the Addendum.

Dated this 18 day of JUNE, 19 79.

[signature]
MARK A. HANER Borrower

(Borrower)

STATE OF OREGON )
) ss.
County of KLAMATH )

On this 18 day of JUNE, 19 79 personally appeared the above named MARK A. HANER and acknowledged the foregoing instrument to be HIS voluntary act and deed. Before me:

[signature]
Notary Public for Oregon
My Commission expires: 2-3-83

After recording, mail to:

[illegible] Oregon
[illegible]
[illegible] Box [illegible]
Klamath Falls, Oregon 97601

STATE OF OREGON; )
County of Klamath )
Filed for record at request of
Transamerica Title co.
on this [illegible] day of June A.D. 19 79
at [illegible] o'clock [illegible] M, and duly
recorded in Vol. M79 of Mortgages
Page 14005
WM. D. MILNE, County Clerk
By [signature] Deputy
Fee $3.00

814-080-SFMPP-9B

Rev. 1-79