PEOPLES MORTGAGE CO 500 N.E. Multnomah St Suite 850, Lloyd Building

Portland, Oregon 97232 Development crise annecticution ng hereof (wittign statument of Any officer of the Pepettment of Housing and Drown D Ottigury August

This form is used in connection with deeds of trust insured under the oneto four-family provisions of the Suchtrane 10

431-154411-221-D2

Provide and and and and and and an officer of the Deep OF. TRUST is a National Housing Act. 9627030 and and and and and an area officer of the officer of the Deep OF. TRUST is a National Housing Act. 9627030 and and and and an area officer of the officer of the Deep officer of the officer officer of the officer of the officer of the officer officer of the officer off The set of the set of

by a court, and anthout it said to the second of any sour the for the indebtodiers hareby a consideration one take preserved . 19 81 between MTCHAEL W"1 BROWN AND TINDA"R. BROWN, HUSBAND AND WIFE

reversing of any indebledness recared hereby of in the periorizance of any agreement accounder. Grammer will have the right to codect Consult of an incorrection of the second neuron of the betternar bubbette social the same card (transet act act, as grantor, a 2. As additional security. Crantor beraby assigners Bench acryclaring the continuant of these tracity of constants whose address is - - 1902 - ACADEMY, STREET correct is the transmission - KLAMATH FALLS - - - 97601 - - - State of Oregon,

PIONEER NATIONAL TITLE INSURANCE COMPANY long to any seperation of oper strength and the particulation operation oper

and the note for endorsement fur case of full reconvey ance, for ennealisitors and releation), without attractive the finality the Atomy pure and from time to thus upon written request of Beneficiary, paymony while leave a second Louis Banden, and the first of the first function dealers there of second to be second to be and the first of the first of

and a solution of the second of the second solution with the second second second second second second second s , as Beneficiary. I he 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 sector of this sector as

M.W.B

BORROWER, 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 ., State of Oregon: z ere cause are suffer to its store apresent selfable will work suc-

THE SOUTHWESTERLY 100° FEET OF "LOT" IN BLOCK 73 OF BUENA VISTA ADDITION, BEING THE CEPORTION OF SAID LOT I LYING SOUTHWESTERLY OF A LINE DRAWN 40 FEET SOUTHWESTERLY OF AND PARALLEL TO THE NORTHEASTERLY LINE OF SAID LOT 1, TO THE CITY OF KLAMATH FALLS, OREGON, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF

CIKLAMATH, COUNTY SHOREGON BUT used to connection with raid Dichesty, to bay, when die, all 1) To pay at least 10 days before deutiquency all recessments about water constants store, see at which said, described property is not currently used for agricultural, timber or grazing purposes.

ann dus pavable to the Beneticiary and Grantor, as then interests may appear, and to deliver all Together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in anywise appertaining, the rents; sissues, 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 is compliance and restrictions

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 "THIRTY" NINE THOUSAND SEVEN HUNDRED FIFTY AND NO/100" [01] Dollars (\$ ______], (1) that work shall not releasion the construction of such superconducts for an

with interest thereon according to the terms of a promissory note, dated payable to Beneficiary or order and made by Grantor, the final payment of principal and interest thereof, if not sooner paid, shall be

of the line 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: a still be destroyed a structure of the state of the structure of the state of th 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 paide the follow

(11) ground tents, if toy, taxes, special assessments, for and other hadred instance premium.

(III) interest on the note secured hereby; and case una pat

Hephons Forth CHAQ1691, Which is Obsoleb

(W) amortization of the principal of the said note subury with the Secretary of Housing and first in the principal of the said note subury with the Secretary of Housing and first in the principal of the said note subury and 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 an event of 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

such payment; constitute an event of default under this Deed of Hust. 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 lour 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 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 shall be credited on subsequent payments to be made by Grantor, or refunded to the Grantor shall be credited on subsequent payments to be made by Grantor, or refunded to the Grantor shall be credited on subsequent payments to be 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 assessments; on insurance premiums shall be due. If at any time Grantor shall tender to Beneficiary in accordance with the provisions of (a) of paragraph 2, when the Beneficiary in accordance with the provisions of (b) of paragraph 2, which the Beneficiary in accordance with the provisions of (b) of paragraph 2, which the Beneficiary in accordance with the provisions of (b) of paragraph 2, which the Beneficiary in accordance with the provisions of (b) of paragraph 2, which the Beneficiary is not become obligated premises in accordance with the provisions hereof, or if the Beneficiary acquires the property otherwise acquired and thereafter a sale of the remaining in the time of the commencement of such proceedings, or at the provisions of this Deed of Trust and thereafter a sale of the remaining in the funds accumulated under (b) of paragraph 2 preceding, as a credit against the amount of paragraph 2. The provisions hereof. If the Beneficiary acquires the property otherwise acquired, the balance the remaining in the funds accumulated under (b) of paragraph 2 preceding, as

reasonable wear and tear excepted. This the policy will a they now are and not to commit or permit any waste thereof,

reasonable wear and tear excepted. damaged, or idestroyed thereon, and pay when due all costs incurred therefor, and; if the loan secured hereby or any part thereof is damaged, or idestroyed increase, and pay when due an costs incurred increase, and, it the idan secured hereby or being obtained for the purpose of financing construction of improvements on said property, Grantor further agrees: (a) to commence construction promptly and in any event within 30 days from the date of the commitment of the Department

of Housing and Urban Development, and complete same in accordance with plans and specifications satisfactory to Beneficiary, of Housing and Urban Development, and complete same in accordance with plans and specifications satisfactory to Beneficiary, (c), to allow Beneficiary to inspect said property at all times during construction, 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 cease on the construction of such improvements for any reason whatsoever for a period of fifteen (15)

or cause or suffer to be done, any act which will void such insurance during the existence of this Deed.

moneys so received by it or apply the same on any indeptedness secured hereby. Grantol agrees to execute any compensation, award, damage; and rights of action and proceeds as Beneficiary or Trustee may require.

The Trustee, upon presentation to it of an affidavit signed by Beneficiary, setting forth facts showing a default by Grantor under this The Trustee; upon presentation to it of an arroavit signed by Beneficiary, setting forth facts showing a default by Grantor under numbered paragraph, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

17. Not to remove or demolish any building or improvement thereon. Indeeses as a sense of the second provider and maintain insurances, regulations, convenants, conditions, and restrictions affecting said property. In 1911To provider and maintain insurances, regulations, convenants, conditions, and restrictions affecting said property. 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, as their interests may appear, and to deliver all policies to Beneficiary, and Grantor, as their interests may appear, and to deliver all policies to Beneficiary, which Beneficiary or Trustee; and should Beneficiary or Trustee elect to also appear in or defend any such action or proceeding purporting to affect the security hereof or the rights or powers of costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum incurred by Beneficiary or Trustee. 11. To pay at least 10 days before delinquency all assessments upon water company stock, and all rents, assessments and and expenses, including cost of evidence of the and attorney's lees in a reasonable sum incurred by beneficiary of itustee. 11. To pay at least 10 days before delinquency all assessments upon water company stock, and all rents, assessments and

charges, for water, appurtenant to or used in connection with said property; to pay, when due, all encumbrances, charges, and liens with inferest, on said property of any part thereof, which at any time appear to be prior or superior hereto; to pay all costs, fees, and liens penses of this Trust and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of 57/12. To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the rate provided on the principal debt, and the repayment thereof shall be secured hereby. 13. To do all acts and make all payments required of Grantor and of the owner of the property to make said note and this Deed eligible for insurance by Beneficiary under the provisions of the National Housing Act and amendments thereto, and agrees not to do,

14. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, may: Make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the property for such purposes; commence, appear in and defend any action or proceeding Instee being authonized to enter upon the property for such purposes; commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance; charge, or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor, including costs of evidence of ritle. employ counsel and nay his reasonable fees

title, employ counsel, and pay his reasonable fees. 15. Should the property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, Beneficiary shall be entitled to all compensation, awards, and other payments for relief therefor, and shall be entitled at its option to commence, appear in, and prosecute in its own name; any action or proceedings or to make any compromise or settlement in connection with such taking or damage. All such compensation

other payments or relief therefor, and shall be entitled at its option to commence, appear in, and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage. All such compensation, awards, damages, rights of action, and proceeds, including the proceeds of any policies of fire and other insurance affecting said property, are hereby assigned to Beneficiary, who may after deducting therefrom all its expenses, including attorney's fees, release any any commensation award damages and rights of action and proceeds as Beneficiary or Trustee may require.

any compensation, award, damage, and rights of action and proceeds as Beneficiary or Trustee may require.
16. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
17. At any time and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Deed or the note for endorsement (in case of full reconveyance, for cancellation and retention), without affecting the liability of any granting any easement of creating any restriction thereon; (c) join in any subordination or other agreement affecting this Deed or the othereon; (c) is not charge thereof; (d) reconvey, without warranty, all or any part of the property.

granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Deed or the lien of charge thereof; (d) reconvey, without warranty, all or any part of the property.

STATE OF OREGON 504

HID 25 1881 (5-36)

this Deed, declining to insure said note and this Deed, being deemed conclusive proof of such ineligibility), or should the commitment this Deed, declining to insure said note and this Deed, being deemed conclusive proof of such ineugibility), 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 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 that course the duly filed for record. Beneficiary shall also denosit with Trustee this Deed, the note and all documents 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

505

nda P. Brown

Signature of Grantor.

_, hereby certify that on this

nonce inside snam cause to be duly filed for record. Beneficiary snam also deposit with inside insides, 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 public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone the 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 postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser its atters or facts shall be conclusive proof of the truth-ulness 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 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

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

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, 24. Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made public record as provided by law. 25. The term "Deed of Trust," as used herein, shall be a party, unless brought by Trustee. 26. The term "Deed of Trust," as used herein, shall mean the same as, and be synonymous with, the term "Trust Deed," as used plural the singular, and the use of any gender shall be applicable to all genders.

26. 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

Michael W. Brown Signature of Grantor. STATE OF OREGON COUNTY OF Klamath I, the undersigned, Notary Public q day of January Michael W. Brown and Linda R. Brown , 19 8 ____, personally appeared before me ____

to me known to be the individual described in and who executed the within instrument, and acknowledged that <u>they</u> free and voluntary act and deed, for the uses and purposes Given under my hand and official seal the day and year last above written.

Notary Public in and for the State My commission expires

REQUEST FOR FULL RECONVEYANCE

To: TRUSTEE

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 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.

Mail reconveyance to

STATE OF OREGON COUNTY OF 35

506 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 pro-visions of this Addendum and the provisions of the Deed of Trust or Note, 1. The Borrower agrees that the Lender or its assignee may, at any time and without notice accelerate all payments due under the Deed of Trust and Note and exercise any other remedy allowed by law for breach of a. The Borrower sells, rents or fails to occupy the Property; 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 The Borrower understands that the agreements and statements of fact contained in the Affidavit are necessary conditions for the granting The Borrower agrees that no Future Advances will be made under the Deed of Trust without the consent of the Housing Division, Department 2.

3. The Borrower understands and agrees that the interest rate set forth on the Note shall be in effect only if this loan is purchased by the Housing Division, Department of Commerce, State of Oregon or its assigns. In the event that it is not so purchased, for any reason, assigns. In the event that it is not so purchased, for any reason, the interest rate shall then increase to <u>15.375</u> % per annum and the monthly installment of principal and interest increased to \$ 514.76

NOTICE TO BORROWER:

This document substantially modifies the terms of this Loan. Do not

I hereby consent to the modifications of the terms of the Deed of Trust and Note which are contained in the Addendum, Dated this 7TH day of JANUARY

MICHAEL W. BROWN Ower)

STATE OF OREGON County of Mamal

SS On this Q day of And and Charles (\$19 81 personally appeared the above hamed <u>Photoget U Browny 14 Noc</u> and acknowledged the foregoing instrument to

LINDA R

BROWN

(Borrower)

18 612 81 - hinde they voluntary act and deed. Before me

(Seal)

Notary Public for Jorgon My Commission Expires: 8.5-83

19 <u>81</u>

After recording, mail to:

PEOPLES MORTGAGE CO. 500 N.E. Multnomah St. Suite 850, Lloyd Building Portland, Oregon 97292

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Klemath County Title Company this<u>12th</u>day of <u>January</u> A. D. 19<u>81</u> at 12:20, clock PM., and

duly recorded in Vol. <u>M-81</u>, of <u>Mortgages</u> Fee \$14.00

7

814-080 SFMPP 9B _on Page <u>_503</u> .

EVELYN BIEHN, County Clerky