

Return 34892  
Homeowners Loan CorporationK-36887  
1469 Beers School Road, Corapolis, PA

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ACCOUNT NUMBER

10159-2

DEBTOR NAME AND ADDRESS (GRANTOR)

JOSEPH R MOUNTAIN  
402 GRANT ST PO BOX 800  
MERRILL OR 97633

CO-DEBTOR (GRANTOR)

LOIS M.

AMOUNT FINANCED

10301.40

FINANCE CHARGE

10791.00

DATE OF LOAN

3-12-84

1ST PAYMENT DUE DATE

4-10-84

FINAL PAYMENT DUE DATE

3-10-94

PAYABLE IN

120

MONTHLY PAYMENTS THE FIRST ONE

175.77

AND

119 OF \$

175.77

ANNUAL PERCENTAGE RATE

16.49 %

TOTAL OF PAYMENTS

21092.40

This trust deed made March 13, 1984, between Joseph R. Mountain and Lois M. Mountain (hereinafter called the "Grantor"), of 402 Grant St., P.O. Box 800 City of Merrill, County of Klamath, State of Oregon (hereinafter called the "Trustee"), of Klamath County Title Co., 422 Main St. P. O. Box 151 City of Klamath Falls, County of Klamath, State of Oregon and Homeowners Loan Corporation (hereinafter called the "Beneficiary"), of 1469 Beers School Road, Corapolis, Allegheny County, Pennsylvania Grantor conveys to Trustee in trust the following property in the County of Klamath, State of Oregon:

A tract of land situated in the SW1/4SE1/4 of Section 2, Township 41 South, Range 10 E.W.M., Klamath County, Oregon, including a portion of Block 4, Hodges Addition to Merrill, being See Schedule A.

Beneficiary has loaned Grantor Ten Thousand, Three Hundred One Dollars (\$10,301.40), which is repayable with interest according to the terms of the promissory note dated the same as this deed, under which the final payment of principal and interest is due on or before March 19, 1994.

The term "indebtedness" as used in this deed shall mean (a) the principal and interest payable under the note, (b) any future amounts that Beneficiary may in its discretion loan to Grantor, together with interest thereon, and (c) any sums paid or advanced by Beneficiary to discharge obligations of Grantor as permitted under this deed, together with interest thereon.

This deed is given to secure payment of the indebtedness and performance of all obligations of Grantor under this deed, and is given and accepted on the following terms:

1. The Property shall be maintained in good condition at all times; Grantor shall promptly make all necessary repairs, replacements, and renewals so that the value of the Property shall be maintained, and Grantor shall not commit or permit any waste on the Property. Grantor shall comply with all laws, ordinances, regulations, and private restrictions affecting the Property. Grantor shall not demolish or remove any improvements from the Property without the written consent of Beneficiary.

2. On notice to Grantor, Beneficiary may make or cause to be made reasonable entries on the Property for the purpose of inspecting it.

3. Grantor shall pay before they become delinquent all taxes and assessments levied against or on account of the Property, and shall pay as due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Beneficiary under this deed, except for the lien of taxes and assessments not delinquent.

4. Grantor shall carry such insurance as Beneficiary shall reasonably require. This shall include insurance on the Property against fire, additional war risks. Insurance on the Property shall be carried in companies and under policies approved by Beneficiary and shall be for an amount equal to the remaining unpaid portion of the indebtedness or the full insurable value of the Property, whichever is greater, and an amount sufficient to comply with any coinsurance provision in any policy.

5. All policies of insurance on the Property shall bear an indorsement in a form satisfactory to Beneficiary making loss payable to Beneficiary and shall be deposited with Beneficiary. In the event of loss, Grantor shall immediately notify Beneficiary, who may make proof of loss if it is not made promptly by Grantor. Proceeds shall be paid directly to Beneficiary, who may compromise with any insurance company and make a final settlement that shall be binding on Grantor. Beneficiary may, at his election, apply the proceeds to the reduction of the indebtedness or to the restoration or repair of the Property.

6. At least 30 days prior to the expiration of any policy, a satisfactory renewal or substitute policy shall be secured by Grantor.

7. If Grantor shall fail to comply with any provision hereof, Beneficiary may at its option on Grantor's behalf take the required action, and any amount that it expends in so doing shall be added to the indebtedness. Amounts so added shall be payable on demand with interest at the rate of one half of one percent (.05%) from the date of expenditure. The rights provided for in this paragraph shall be in addition to other rights or remedies to which Beneficiary may be entitled on account of the default, and Beneficiary shall not, by taking the required action, cure the default so as to bar it from any remedy that it otherwise would have had.

8. If all or any part of the Property is condemned, Beneficiary may at its election require that all or any portion of the net proceeds of the award be applied on the indebtedness. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees necessarily paid or incurred by Grantor, Beneficiary, and Trustee in connection with the condemnation.

9. Grantor shall not, without the prior written consent of Beneficiary, transfer Grantor's interest in the Property, whether or not the transferee assumes or agrees to pay the indebtedness.

10. The following shall constitute events of default:

(a) Failure of Grantor to pay any portion of the indebtedness when due.

(b) Failure of Grantor within the time required by this deed to make any payment for taxes, insurance, or mortgage insurance premiums or for reserves for such payments, or any other payment necessary to prevent filing of or discharge of any lien.

(c) Failure of Grantor to perform any other obligation under this deed within ten (10) days after receipt of written notice from Beneficiary specifying the failure.

11. On the occurrence of any event of default and at any time thereafter, Beneficiary may exercise any one or more of the following rights and remedies:

(a) The right at its option by notice to Grantor to declare the entire indebtedness immediately due and payable.

(b) With respect to all or any part of the Property that constitutes realty, the right to foreclose by notice and sale by Trustee or by judicial foreclosure, in either case in accordance with applicable law.

(c) Any other right or remedy provided in this deed or the promissory note evidencing the indebtedness.

In exercising its rights and remedies Beneficiary shall be free to sell all or any part of the Property, together or separately, or to sell certain portions of the Property and refrain from selling other portions. Beneficiary shall be entitled to bid at any public sale on all or any portion of the Property.

A waiver by Beneficiary of a breach of a provision of this agreement shall not constitute a waiver of or prejudice the Beneficiary's right otherwise to demand strict compliance with that provision or any other provision. Election by Beneficiary to pursue any remedy shall not exclude Grantor to perform shall not affect Beneficiary's right to declare a default and exercise its remedies under this paragraph.

In the event suit or action is instituted to enforce any of the terms of this deed, Beneficiary shall be entitled to recover from Grantor such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. All reasonable expenses incurred by Beneficiary that are necessary at any time in Beneficiary's opinion for the protection of its interests or the enforcement of its rights, including without limitation the costs of searching records, obtaining title reports, surveyors' reports, attorneys' opinions or title insurance, and fees for Trustee, whether or not any court action is involved, shall become a part of the indebtedness payable on demand and shall bear interest at the rate of one half of one percent (.05%) per annum from the date of expenditure until repaid.

12. Any notice under this deed shall be in writing and shall be effective when actually delivered or, if mailed, when deposited as registered or certified mail direct to the address stated in this deed. Any party may change the address for notices by written notice to the other parties.

13. Subject to the limitations stated in this deed on transfer of Grantor's interest, and subject to the provisions of applicable law with respect to successor trustees, this deed shall be binding on and inure to the benefit of the parties, their successors and assigns.

WITNESS:

State of Oregon

County of CLAMATHBe it remembered that on this 20th day of MARCH, 1984

undersigned, Lois M. Mountain and Joseph R. Mountain, in and for said county and state, personally appeared the within named Lois M. Mountain who are known to me to be the identical person(s) described in and who executed the within instrument, and acknowledged to me that they executed the same.

My commission expires on 1/21/85, 1985

[SEAL]

LENDER

SCHEDULE "A" to Mountain Deed of Trust

4926

more particularly described as follows: Beginning at the Southeast corner of said Section 2; thence West along the South line of said Section 2, 1319.80 feet; thence N.  $02^{\circ}09'02''$  W., 1315.72 feet; thence N.  $89^{\circ}57'50''$  W., 327.50 feet to the Northeast corner of said Block 4 of Hodges Addition; thence S.  $00^{\circ}30'20''$  E. along the Westerly right of way line of Grant Street 60.00 feet to the true point of beginning of this description; thence continuing S.  $00^{\circ}30'20''$  E. along said right of way line, 112.57 feet to a 1/8 inch iron pin; thence N.  $89^{\circ}54'40''$  W. 85.00 feet; thence N.  $00^{\circ}30'20''$  W. 112.49 feet; thence S.  $89^{\circ}57'50''$  E., 85.00 feet to the true point of beginning, with bearings based on recorded survey No. 2021 as recorded in the office of the Klamath County Surveyor.

STATE OF OREGON, )  
County of Klamath )

Filed for record at request of

on this 28th day of March A.D. 19 84  
at 11:24 o'clock A M, and duly  
recorded in Vol. M84 of Mortgages

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**EVELYN BIEHN**, County Clerk

By *[Signature]* Deputy

Fee 8.00