

THIS TRUST DEED, made this 13th day of April
LEON J. MCELFFRESH

....., as grantor, William Sisemore, as trustee, and United States, as beneficiary;

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:
All the following:

All the following described real property situate in Klamath County, Oregon:
Beginning at an iron pin which lies on the Westerly right of way line of Summers Lane South 88° 44' West a distance of 30 feet and North 1° 12' West a distance of 80.5 feet from the iron axle which marks the $\frac{1}{4}$ corner common to Sections 10 and 11, Township 39 South Range 9 East of the Willamette Meridian, and running thence: South 88° 44' West a distance of 367.3 feet to an iron pin which lies on the Easterly right of way line of the U.S.R.S. Lateral F-7; thence North 1° 26' West along the Easterly right of way line of Lateral F-7 a distance of 96.2 feet; thence North 88° 44' East a distance of 367.7 feet, more or less, to a point which lies on the Westerly right of way line of Summers Lane; thence South 1° 12' East along the Westerly right of way line of Summers Lane a distance of 96.2 feet, more or less, to the point of beginning, being a portion of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 10, Township 39 South, Range 9 East of the Willamette Meridian.

Grantor's performance under this trust deed and the note it secures may not be assigned to or be assumed by another party. In the event of an attempted assignment or assumption, the entire unpaid balance shall become immediately due and payable.

which said described real property is not currently used for agricultural, timber, or other purposes together with the land on which it is situated.

This trust deed shall further secure the payment of such additional money, if any, as may be loaned hereafter by the beneficiary to the grantor, or others, having an interest in the above described property, as may be evidenced by a note or notes. If the indebtedness secured by this trust deed is evidenced by a note or notes, the beneficiary may credit payments received by it upon 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 will and his heirs, 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, except the mortgage hereon; to construct on said premises all buildings in course of construction hereof and in good construction is hereafter commenced within six months from the date said property which may be damaged or destroyed or injured and restore the same as soon as possible; to allow benefit of and pay, when due, on all times during the construction; to replace any work or material unsatisfactory to beneficiary within fifteen days after written notice from beneficiary; to maintain in good condition and to keep all buildings, property and improvements now or hereafter erected on said premises; to keep all buildings and improvements now or hereafter erected upon said property in good repair and to improve the same; to keep all buildings, property and improvements now or hereafter erected on said premises continuously insured against loss or damage by fire or such other hazards as the insurance agent may recommend and to be secured by this time than the original principal sum of the note to time to time required, and to deliver thereof, in a company or companies acceptable to the beneficiary, and no payable clause in favor of the beneficiary attached with the premium; to deliver to the principal place of business of the beneficiary at least fifteen days prior to the effective date of any such policy of beneficiary at least said policy of insurance is not so tendered, the beneficiary may at its own discretion obtain insurance for the benefit of the beneficiary, which insurance shall be non-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 interest in addition to the monthly payments herein provided, an amount equal to one-twelfth ($\frac{1}{12}$)th of the note or obligation secured by this deed, payable with respect to said property for the taxes, assessments and other charges which shall become due on the first day of each month commencing twelve months, and also one-thirty-sixth ($\frac{1}{360}$)th of the insured sum succeeding every three months thereafter, until the expiration of the term of years herein expressed; such sums as shall remain in effect, as estimated at each succeeding three years will be applied for all other purposes then credited to the principal of the loan so required for the loan; or, at the option of the beneficiary, the sums so paid shall be held in trust for the payment of the taxes, assessments or other charges without interest, to pay said taxes, assessments or other charges.

[illegible]

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 for the 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 expenditures therefor shall draw interest at the rate specified in the deed, and shall be repayable by the grantor on demand and shall be secured by the deed of trust deed. In this connection, 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, in enforcing this, and expenses of the trustee incurred in connection with or 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, or to pay all costs and expenses, including cost of evidence of title and attorney's fees, which the beneficiary or trustee may incur 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:

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 proceedings in its own name, appear in or defend against any such proceedings, or to make any compromise or settlement in connection with any such proceedings, and, if it so elects, to require the grantor to contribute or to pay to pay all reasonable costs, expenses and attorney's fees necessary and incurred by the grantor in such proceedings, shall be paid to the beneficiary and added to its first upon any reasonable costs, expenses and attorney's fees necessarily incurred by the beneficiary in such proceedings, and the balance applied upon any reasonable costs, expenses and attorney's fees incurred by the grantor in such proceedings, shall be paid to the beneficiary 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 endorsement (in case of full reconveyance, for cancellation) without affecting the liability of any person for said reconveyance, (d) joint or several may (a) consent to the making of any payment of the indebtedness; (b) join in granting or supplementing or creating and restricting thereon, (c) join in any subordination or other instrument affecting this deed or the lien hereinbefore created hereunder, and may as described as to any part of the property, The Trustee in any reconveyance may be described as the "person or persons legally entitled thereto"; the recitals therein of any matters or facts shall be conclusive evidence of the truthfulness thereof. Trustee's fee for any of the services in this paragraph shall be \$~~500~~ **not less than \$5.00**

3. As additional security for the performance by the Trustee of his duties under this deed, he shall deposit with the County Clerk of the County of Los Angeles, California, a sum of money or securities valued at not less than five hundred dollars (\$500.00).

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 persons, royalties and profits of the property grantor shall deem to be necessary for the proper management and maintenance of the performance of any agreement hereunder, of any indebtedness secured hereby or in respect to any such rents, issues and profits, and grantor shall have the right to collect the same due and payable. Upon any such rents, issues and profits earned prior to the beneficiary may, at any time without notice, either by the grantor hereunder, or as they may be deemed to be due and payable by the beneficiary, or by the beneficiary, the beneficiary to be appointed by a court, and without regard to the person, by agent or by a court, the security for the indebtedness hereby secured, enter upon to the adequacy of any said property, or any part thereof, in its own name sue for or take possession of the same, rents, issues and profits, including those past due and unpaid, and to collect the same, less costs and expenses of collection 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 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 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 \$250.00) 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.

nouncement at the time fixed by the preceding postponement. The trustee shall deliver to the purchaser his deed in form as required by law, conveying the property so sold, but without any covenant or warranty, express or implied. The truthfulness thereof. Any person, excluding the trustee but including the grantor and the beneficiary, may purchase at the sale.

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.

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

MOUNTAIN TITLE COMPANY, INC. has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

STATE OF OREGON
County of Klamath } ss

THIS IS TO CERTIFY that on this 13th day of April, 1984,

Notary Public in and for said county and state, personally appeared the within named Leon J. McElfresh

to me personally known to be the identical individual named in and who executed the foregoing instrument and acknowledged to me that he 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.

(SEAL)

Darlene J. Tucker
Notary Public for Oregon
My commission expires: 6-16-84

Loan No. 40-00186

TRUST DEED

TO Grantor
Klamath First Federal Savings
AND LOAN ASSOCIATION
Beneficiary

After Recording Return To:
Klamath First Federal Savings
AND LOAN ASSOCIATION

540 MAIN ST
KFC

(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 16th day of April, 1984, at 8:46 o'clock A. M., and recorded in book M84 on page 6205 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk
County Clerk

By [Signature] 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 & Loan Association, Beneficiary

DATED: _____, 19____

by _____