

55162

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(FLB Loan No. 183112-9 - Wright)

## DEED OF TRUST

This Deed of Trust, made this 5th day of November, 1985, between Michael D. Radford and Donna Joy Radford, husband and wife, Grantor, whose address is 2520 Old Midland Road; Klamath Falls, Oregon 97601, Mountain Title Company, Inc., Trustee, whose address is 407 Main, Klamath Falls, Oregon 97601; and THE FEDERAL LAND BANK OF SPOKANE, a corporation, Beneficiary, whose address is West 601 First Avenue, Spokane, Washington 99204,

WITNESSETH: That the Grantor hereby irrevocably grants, bargains, sells and conveys to Trustee in trust, with power of sale the following described real property in the County of Klamath, State of Oregon:

The East half of Lot 16 and the East half of Lot 17, Yalta Gardens, Klamath County, Oregon.

Together with the tenements, hereditaments, rights, privileges and appurtenances, including private roads, now or hereafter belonging to or used in connection with the above-described premises; and all plumbing, lighting, heating, cooling, ventilating, elevating, watering, and irrigation apparatus and other fixtures, now or hereafter belonging to or used in connection with the above-described premises, all of which are hereby declared to be appurtenant to said land.

The real estate herein conveyed is not currently used for agricultural, timber or grazing purposes.

This deed is for the purpose of securing the performance of the covenants and agreements hereinafter contained, and the lump sum payment of Five Thousand Dollars (\$5,000) due on that certain promissory note of even date herewith for the principal sum of Seventy-one Thousand Five Hundred Dollars (\$71,500) secured by a deed of trust on other real property made by Grantors to the order of the Beneficiary, said Five Thousand Dollars (\$5,000) being payable in one installment on or before July 1, 1988. M.D.R. DJR

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, AND FOR OTHER PURPOSES, GRANTOR COVENANTS AND AGREES:

1. That Grantor is lawfully seized of said premises in fee simple, has good right and lawful authority to convey the same, and that said premises are free from encumbrance except easement of record; and covenants, conditions, and restrictions of record. Grantor will warrant and defend the premises forever against the lawful claims and demands of all persons whomsoever, and this covenant shall not be extinguished by any foreclosure hereof, but shall run with the land.
2. All installments not made when due shall thereafter bear interest until paid at a default rate which is the rate then in effect for this contract, plus two percent per annum.
3. To keep the buildings and other improvements now or hereafter existing on said premises in good repair; not to remove or demolish or permit the removal or

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- demolishment of any building thereon; to restore promptly in a good and workmanlike manner any building, structure or improvement thereon which may be damaged or destroyed; to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property and its use; not to use or permit the use of said premises for any unlawful or objectionable purpose; and not to commit or suffer waste of any kind upon said premises.
4. To keep all buildings now existing or hereafter erected continuously insured against loss or damage by fire and such other risks in manner and form and in such company or companies and in such amounts as shall be satisfactory to the Beneficiary; to pay all premiums and charges on all such insurance when due; to deposit with the Beneficiary upon request certificates of all insurance pertaining to or affecting the premises, with evidence of payment of all premiums and charges affecting said policies. All insurance affecting the premises shall be made payable, in case of loss, to the Beneficiary, with a loss payable clause in favor of and satisfactory to the Beneficiary. The Beneficiary shall be entitled to receive the proceeds of any loss under any such policy which may be applied by the Beneficiary upon the indebtedness hereby secured in such manner as it may elect.
  5. To pay before delinquency all taxes, assessments, and other charges upon said premises, and all rents, assessments and charges for water appurtenant to or used in connection with said property.
  6. To appear in and defend any action or proceeding purporting to affect the lien or security hereof or the rights or powers of Beneficiary or Trustee; and in case of any suit to foreclose this Deed of Trust as a mortgage or in any suit which Beneficiary may deem necessary to prosecute or defend to effect or protect the security hereof, to pay all costs and expenses incident thereto including the reasonable cost of searching records or insuring the title and reasonable attorney fees in such action, such sums to be secured by this Deed of Trust.
  7. To pay all costs, fees and expenses of this trust including the expenses of Beneficiary or Trustee incurred in enforcing the obligation secured hereby, the reasonable cost of searching records or insuring title, and reasonable trustee and attorney fees not in excess of any limitations provided by law, such sums to be secured by this Deed of Trust.
  8. Should the Grantor be or become in default in any of the covenants or agreements herein contained, then the Beneficiary (whether electing to declare the whole indebtedness hereby secured due and payable or not) may, at its option, perform the same in whole or in part and all expenditures made by the Beneficiary in so doing, together with interest and costs, shall be immediately repayable by the Grantor without demand, shall be secured by this Deed of Trust, and shall draw interest until paid at the default rate provided in the Promissory Note.

IT IS MUTUALLY AGREED THAT:

1. If any of said property shall be taken under right of eminent domain, the Beneficiary shall be entitled at its option to receive all compensation for the portion taken and the damages to the remaining portion, to be applied by the Beneficiary upon the indebtedness hereby secured in such manner as it shall elect.
2. Beneficiary may from time to time, in writing and without notice, release any person liable for payment of any of the indebtedness or extend the time or otherwise alter the terms of payment of any of the indebtedness.
3. Upon the written consent of Grantor and Beneficiary, the Trustee may, at any time and from time to time, and without affecting the liability of any person:
  - (a) Consent to the making of any map or plat of the property; (b) Join in granting any easement or creating any restriction thereon; (c) Join in any subordination or other agreement affecting this Deed of Trust or lien or charge thereof; and (d) Reconvey without warranty all or any part of the property.
4. All sums secured hereby having been paid, Trustee shall reconvey, without warranty, the property then held hereunder upon written request of Beneficiary or the person entitled thereto and upon surrender of this Deed of Trust and said note for cancellation and retention and upon payment of its fees. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto."
5. Upon or during the continuance of any default hereunder, the Beneficiary shall have the right forthwith to enter into and upon said premises and take possession thereof, and collect the rents, issues and profits thereof, and apply the same less reasonable costs of collection, upon the indebtedness hereby secured and the Beneficiary shall have the right to the appointment of a receiver to collect the rents, issues and profits of said premises after default are hereby assigned to the Beneficiary as additional security for the indebtedness herein described. The entering upon and taking possession of said property, the collection of such rents, issues and profits, the proceeds of fire or other insurance policies 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.
6. Time is material and of the essence hereof; and in the case of breach of any of the covenants or agreements hereof, or if default be made in the payment of the sums hereby secured, all indebtedness hereby secured shall, at the election of the Beneficiary, become immediately due and payable without notice; but failure of the Beneficiary to exercise such option in any one or more instances shall not be considered as a waiver or relinquishment of the right to exercise such option upon or during the continuance of the same or any other default. In such event, Beneficiary at its option may proceed to foreclose this Deed of Trust as a mortgage in the

manner provided by law for the foreclosure of mortgages or direct Trustee in writing to foreclose this Deed of Trust by notice and sale.

7. In foreclosure of this Deed of Trust by notice and sale, the power of sale hereunder shall be exercised by Trustee according to and under the authority of the law now in effect and as hereafter amended of the State of Oregon pertaining to deeds of trust. Trustee shall deliver to the purchaser at sale its deed, without warranty, which deed shall contain such recitals as may be required or permitted by law for the benefit of said purchaser and subsequent bona fide purchasers or encumbrancers for value. After deducting all costs and expenses of the sale, including reasonable Trustee's and attorney's fees and the reasonable costs of searching records or insuring the title, 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 default rates provided in the note secured hereby; all other sums then secured hereunder; and the remainder if any to the person or persons legally entitled thereto and in the manner provided for by law.
8. Beneficiary having purchased said property at Trustee's sale, Grantor agrees peaceably to surrender possession of the premises to Beneficiary in the event such possession has not previously been delivered and to pay Beneficiary the costs and expenses including a reasonable attorney's fee in any suit or action instituted by Beneficiary to obtain possession of the premises from Grantor or any occupant of the premises who entered possession by, through or under Grantor.
9. Trustee accepts this trust when this deed duly executed and acknowledged is made a public record as provided by law. Any Trustee lawfully appointed by the Beneficiary as a substitute or successor Trustee shall succeed to all of the powers and duties of the Trustee named herein. Conveyance to the substitute or successor Trustee shall not be required. 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, Trustee or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
10. This deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, personal representatives, successors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby or if the note has been pledged, the pledgee thereof, whether or not named as Beneficiary herein.
11. Grantor requests that a copy of any declaration or notice of default and a copy of any notice of sale hereunder be mailed to him at the address of Grantor hereinabove set forth.
12. The property herein deeded in trust shall not be sold nor shall the premises be transferred to the possession of any third party without the written consent of beneficiary. The beneficiary agrees not to reasonably withhold such consent.

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

18075

Michael D. Radford  
Michael D. Radford (SEAL)

Donna Joy Radford  
Donna Joy Radford (SEAL)

STATE OF OREGON

County of Klamath ) ss

On ~~October~~ <sup>November 5</sup>, 1985, before me personally appeared Michael D. Radford and Donna Joy Radford, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

Pamela Spencer  
Notary Public in and for the State of Oregon, residing at Klamath Falls  
My commission expires: 8/16/88

After recording return to: M.T.C.

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.

Filed for record at request of \_\_\_\_\_  
of November A.D., 19 85 at 9:30 o'clock A M., and duly recorded in Vol. M85 day  
of \_\_\_\_\_ Mortgages on Page 18071

FEE \$21.00

Evelyn Biehn  
By \_\_\_\_\_ County Clerk  
Wm Smith