

After recording please return to:

Clarence First Federal
P. O. Box 1577
Klamath Falls, OR 97601

75179

Form No. 10-12345

Date 9/26/71

DEED OF TRUST

THIS DEED OF TRUST (Security Instrument) is made in _____ Day 15, 1971. The grantor is _____, a single person.

CLARENCE FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation organized under the laws of the United States of America, and whose address is _____, Oregon 97601.

has loaned to the grantor the principal sum of \$_____. The fact is evidenced by the promissory note and mortgage in _____ dated the same date as this Security Instrument, which provides for monthly payments with the first date of payment to be made on _____.

The Security Instrument and its amendments and modifications, the payment of all other sums, with interest, advanced under paragraph 1, to protect the security of the Security Instrument, and (2) the performance of the grantor's covenants and agreements under the Security Instrument and the Note for the purpose of securing the grantor's obligations and covenants in _____, with power of sale, the following described property located in _____.

1. The payment of any future advances, with interest thereon, made to the grantor by lender pursuant to the paragraph below ("Future Advances").

2. Future Advances. Upon request of the grantor, lender, or lender's assignee or assignees, such Future Advances, with interest thereon, shall be secured by this Deed of Trust when evidenced by promissory notes reciting that said notes are secured hereby.

Lot 17, Block 17, HILLSIDE ADDITION to the City of Klamath Falls, according to the official plan thereof on file in the office of the County Clerk of Klamath County, Oregon.

which is the address of _____, Oregon _____.

WITNESSETH that all the improvements now or hereafter existing on the property, and all covenants, rights, easements, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures are or hereafter shall be a part of the property. All improvements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property".

THE GRANTOR HEREBY WARRANTS that the grantor is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record, the grantor's covenants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT contains uniform covenants for national use and non-uniform covenants with limited variations in provisions to constitute a uniform security instrument covering real property.

1. **Payment of Principal and Interest, Prepayment and Late Charge.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charge due under the Note.

2. **Funds for Taxes and Insurance.** Subject to applicable law or a written waiver by Lender, Borrower shall pay to Lender on the due date of the monthly payments or due under the Note, until the Note is paid in full, a sum sufficient to cover the monthly taxes and assessments which may attach to the Property, if any. All yearly taxes and assessments, including mortgage insurance premiums, if any. These items are called "current taxes." Lender may estimate the Funds for the taxes of current taxes and reasonable estimates of future taxes.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or State agency (including Lender or Lender's agent or institution). Lender shall apply the Funds to pay the current taxes. Lender may not charge for holding and applying the Funds, including the account or applying the current taxes, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds and the Funds shall be disbursed, without charge, in annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the debt secured by the Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due date of the current taxes, shall exceed the amount required to pay the current taxes when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower in monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the current taxes when due, Borrower shall pay to Lender the amount necessary to make up the deficiency in one or more payments as required by Lender.

Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 2 of the Property is sold or assigned by Lender, Lender shall apply to any amount immediately prior to the sale of the Property or to acquisition by Lender, any Funds held by Lender in the title of application as a credit against the sum secured by this Security Instrument.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first, to late charges due under the Note, second, to prepayment charges due under the Note, third, to amounts payable under paragraph 2, fourth, to interest due and last, to principal due.

4. **Change of Law.** Borrower shall pay all taxes, assessments, charges, fees and obligations attributable to the Property which may attach to the Security Instrument, and including payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them in time directly to the person owed payment. Borrower shall promptly furnish to Lender all records of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over the Security Instrument unless Borrower has agreed in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender. In exercising its power to enforce the lien by or defend against enforcement of the lien in legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or fulfillment of any part of the Property, or to secure from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument, if Lender determines that any part of the Property is subject to a lien which may attach priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 30 days of the giving of notice.

5. **Extended Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, including included within the term "extended coverage" and any other insuring in which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance cover providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be assignable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied in satisfaction or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not impaired. If the restoration or repair is not economically feasible or Lender's security would be impaired, the mortgage proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may apply the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The thirty day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not exceed or prepay the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 2 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by the Security Instrument immediately prior to the acquisition.

6. **Preservation and Maintenance of Property, Leasehold.** Borrower shall not suffer damage or substantially change the Property, allow the Property to deteriorate or become waste. If the Security Instrument is in a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the covenants and restrictions shall not merge unless Lender agrees in the merger in writing.

7. **Protection of Lender's Rights in the Property, Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument or there is a legal proceeding that may affect any of Lender's rights in the Property such as a proceeding in bankruptcy, probate, re-conveyance or an insolvency proceeding or regulations, then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over the Security Instrument, appearing in court, paying reasonable attorney's fees and entering in the Property in public records. Although Lender may take action under this paragraph, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender secured mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the maintenance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

I. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

K. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for condemnation in fact or condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not they due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned to Borrower, or if, after notice by Lender to Borrower that the abandonment offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date for which a given Lender is authorized to collect and apply the proceeds, at its option, either to reconstruction or repair of the Property or to the sums secured by this Security Instrument, whether or not they due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs I and J or change the amount of such payments.

III. Borrower Not Released, Forfeiture by Lender Not a Waiver. Extension of the time for payment or modification or satisfaction of the sums secured by this Security Instrument granted by Lender to any borrower or interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors or interest. Lender shall not be required to commence proceedings against any successor or interest or refuse to extend time for payment or otherwise modify satisfaction of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors or interest. Any satisfaction by Lender of a borrowing and right to receive shall not be a waiver of or preclude the exercise of any right or remedy.

11. Successors and Assigns Bound Joint and Several Liability; Co-obligors. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who assigns this Security Instrument but does not execute the Note shall co-obligate this Security Instrument only to mortgage, grant and convey the Borrower's interest in the Property under the terms of this Security Instrument, but is not personally obligated to pay the sums secured by this Security Instrument, and (s) agrees that Lender and any other Borrower may agree to extend, modify, amend or make any accommodations with respect to the terms of this Security Instrument or the Note without the Borrower's consent.

12. Late Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum late charges, and that law is finally interpreted so that the interest or other late charges collected or to be collected in connection with the loan exceed the permitted limits, then (a) any such late charge shall be reduced by the amount necessary to reduce the charge to the permitted limit, and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 14. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be given one unaffiliated copy of the Note and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand to Borrower.

18. Borrower's Right to Redeem. If Borrower meets certain conditions, Borrower shall have the right to have termination of this Security Instrument discontinued at any time prior to the earlier of (a) 5 days or such other period as applicable law may specify for discontinuance before sale of the Property pursuant to any power of sale contained in this Security Instrument or the entry of a judgment enforcing this Security Instrument. These conditions are that Borrower (a) pays Lender all sums which they would be due under this Security Instrument and the Note and no acceleration occurred (b) cures any default of any other covenants or agreements (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon discontinuance by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to terminate shall not apply in the case of acceleration under paragraphs 13 or 17.

NOT EMPLOYED CURRENTLY Borrower and Lender further covenant and agree as follows:

19. Acceleration: Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise. The notice shall specify (a) the default, (b) the action required to cure the default, (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured and (d) that failure to cure the default as so before the date specified in the notice may result in acceleration of the loan secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to defense of Borrower to acceleration and sale. If the default is not cured as so before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorney's fees and costs of title evidence.

20. Lender in Possession. Upon acceleration under paragraph 14 or abandonment of the Property, Lender in possession of an event of default and of Lender's election to cause the Property to be sold and shall cause such action to be recorded in each county in which any part of the Property is located. Lender or Trustee shall give notice of sale in the manner prescribed by applicable law to Borrower and to other persons prescribed by applicable law. After the date required by applicable law, Lender, without demand on Borrower, shall sell the Property at public auction in the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any other location determined. Lender may purchase any or all of any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property without any covenant or warranty, expressed or implied. The minutes in the Trustee's book conveying the Property without any covenant or warranty shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorney's fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

21. Lender in Possession. Upon acceleration under paragraph 14 or abandonment of the Property, Lender or person to whom it is sold by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, reasonable fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Security Instrument.

22. Receivership. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to remove the Property and shall terminate this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall remove the Property without warranty and without charge to the person or persons legally entitled to it, such person or persons shall pay any reasonable costs.

23. Substitute Trustee. Lender may from time to time remove Trustee and appoint a successor trustee to any lender reported hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

24. Use of Property. The Property is not currently used for agricultural, timber or grazing purposes.

25. Attorney's Fees. As used in this Security Instrument and in the Note, "attorney's fees" shall include an attorney's fees awarded by an appellate court.

26. Refer to this Security Instrument. If one or more notes are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such note shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the covenants were a part of this Security Instrument. [Check applicable boxes]

- Adjustable Rate Rate
- Graduated Payment Rate
- Other(s) [specify]
- Condominium Rate
- Planned Unit Development Rate
- 2-4 Family Rate

27. SIGNING BELOW. Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and is not otherwise obligated by Borrower and recorded with it.

Douglas P. MacIntyre (Seal)
Douglas P. MacIntyre

_____ (Seal)
_____ (Seal)

STATE OF ARIZONA
COUNTY OF ELY

The foregoing instrument was acknowledged before me this 24 day of July, 1990
by Douglas P. MacIntyre _____
(Personal Acknowledging)

My Commission expires 7-6-90

United Community Bank
Notary Public

This instrument was prepared by United Community Bank
and Loan Association

