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Lawn #09-13320

Aug 12-1962

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After executing please return to:

U.S. Bank Federal  
 P. O. Box 5270  
 Clatskanie Falls, Oregon 97010

## DEED OF TRUST

THIS DEED OF TRUST ("Security Instrument") is made on April 1, 1962, by and between John L. Johnson and Paul A. Johnson, husband and wife ("Borrower") the former William L. Johnson ("Trustee") the beneficiary of the "Security Instrument".

**CLATSOP FEDERAL SAVINGS AND LOAN ASSOCIATION** under the name of the Industrial Bank of America, and whose address is 540 Main Street, Clatskanie Falls, Oregon 97010, Borrower does make the principal sum of Twenty-five Thousand Five Hundred and Sixty Dollars U.S. \$25,560.00.

Dated the same date as the Security Instrument ("Note") which provides for monthly payments until the full date of the last earlier due and payable or December 1, 1965. The Security Instrument becomes due and payable for the payment of the sum advanced under paragraph 1 in payment the security of the Security Instrument, and in the performance of Borrower's covenants and agreements under the Security Instrument and the Note for the purpose Borrower irrevocably grants and conveys to Trustee in trust, with power of sale, the following described property located in Clatskanie, Oregon:

1.0 The repossess of any fixture advances, with interest thereon, made to Borrower by Lender pursuant to the paragraph below ("Fixture Advances").  
SECOND ADDENDUM. Upon request of Borrower, Lender, at Lender's option prior to final repossession of the Property by Trustee to Borrower, any such fixture advances to Borrower. Such Fixture Advances, with interest thereon, shall be received by this Deed of Trust when evidenced by conclusory notes reciting that said notes are secured hereby.

Sec 5, Block 40, BOUND TUES ADDENDUM TO THE CITY OF CLATSOP FALLS, IN THE COUNTY OF CLATSOP, STATE OF OREGON.

See attached Affidavit from Court Clerk with part hereto.

This instrument is being re-assigned to correct the date of the trust dated to read April 1, 1962.

which has the addition of John L. Johnson, Trustee  
Oregon 5270 ("Property Address")

Clatskanie Falls

Borrower holds all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and which and all fixtures now or hereafter a part of the property. All improvements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to as the Security Instrument as the "Property".

Borrower certifies that Borrower is lawfully seized of the entire property covered and has the right to grant and convey the property and that the property is unencumbered except for encumbrances of record. Borrower warrants and will defend generally the title to the property against all claims and demands, subject to any encumbrances of record.

This Security Instrument will contain uniform covenants for natural gas and non-natural covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

**CHAPTER ONE: BORROWER AND LENDER Covenants and Agreements**

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

**2. Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the due monthly payments set forth under the Note until the Note is paid in full, a sum ("Funds") equal to one-twelfth of (a) yearly taxes and assessments which may affect priority over this Security Instrument, (b) monthly escrowed payments or ground rents on the Property, if any, (c) yearly hazard insurance premiums, and (d) monthly mortgage insurance premiums, if any. These items are called "taxes and insurance." Lender may estimate the Funds due as the basis of current facts and reasonable estimates of future taxable items.

The Funds shall be held in an escrow account the deposits or amounts of which are insured or guaranteed by a federal or state agency insulating Lender's risk of institution. Lender shall apply the Funds to pay the taxes and insurance, Lender may charge for holding and applying the Funds, multiplying the amount of the escrow items, unless Lender gives Borrower notice of 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 so agreed, no such or applicable law requires interest to be paid. Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an 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 sums 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 escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be at Borrower's option, either promptly repaid to Lender or credited to Borrower as monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency at the rate of four percent per annum or required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 2 the Property is sold or acquired by Lender, Lender shall apply all funds immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

**3. Application of Payments.** Unless otherwise provided 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 minimum payable under paragraph 2, fourth, to interest due, and last, to principal due.

**4. Owner's Liens.** Borrower shall pay all taxes, assessments, charges, fees and impositions attributable to the Property which may affect priority over the Security Instrument, and household payments or general rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 1 or if not paid at that time, Borrower shall pay them in time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of nonpayment or failure to pay or to make the payments referred to above, and Lender may deduct from the funds evidencing the payments.

Borrower shall promptly discharge any liens which have priority over this Security Instrument unless Borrower has agreed in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender. If such action is taken, the lien by, or fiduciary, against enforcement of the lien in legal proceedings which is in the Lender's opinion sufficient to prevent the enforcement of the lien or foreclosure of any part of the Property, or (b) secures from the holder of the lien an agreement satisfactory to Lender authorizing the lien to the Security Instrument. If Lender determines that any part of the Property is subject to a lien which may affect priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien at the time or place of the sale as shall above within 10 days of the giving of same.

**5. Hazard Insurance.** Borrower shall keep the insurance now existing or hereafter created on the Property insured against liability for hazards included within the term "hazard coverage" and the other hazards for which Lender requires insurance. The insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier 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 removes, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. At 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 to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not breached. If the restoration or repair is not economically feasible or Lender's security would be breached, the insurance 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 dies, and makes within 30 days a notice from Lender that the insurance carrier has failed to settle a claim, then Lender may collect the insurance proceeds. Lender may be the plaintiff to action to recover the Property or to pay sums secured by this Security Instrument, whether or not then due, for the Policy period and begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, the application of proceeds as provided shall not extend or postpone the due date of the monthly payments referred to in paragraphs 2 and 3 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 this Security Instrument immediately prior to the acquisition.

**6. Preservation and Maintenance of Property; Landlord.** Borrower shall not damage, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is or is intended to interfere with the provisions of the lease, and if Borrower acquires his title to the Property, the lessor and lessee shall not merge unless Lender agrees in the merger or 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 significantly affect Lender's rights in the Property such as a proceeding in bankruptcy, probate, the condemnation or an eminent domain or reorganization, then Lender may file 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 required by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have a right to:

An amount collected by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree in other terms of payment, these amounts shall bear interest from the date of disbursement of the Note and shall be payable, with interest, upon notice from Lender to Borrower specifying payment.

If Lender required 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 insurance terminates or terminates with Borrower's and Lender's written agreement or applicable law.

**1. Inspection.** Lender or its agent may make reasonable entries upon and investigations of the Property. Lender shall give Borrower notice at the time of a year to let inspection specifying reasonable cause for the inspection.

**2. Consideration.** The proceeds of any award or claim for damage, direct or consequential, a consequence with any condemnation or other taking of any part of the Property, or for damages in loss of creditworthiness, are herein referred and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sum secured by this Security Instrument, whether or not then 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 sum 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 sum 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 by Borrower, or if, after notice by Lender or Borrower that the condominium officer is to take an award or settle a claim for damage, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, or to retain, either as condominium or equity of the Property or to the sum secured by the Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds is principal and not interest or prepayment the due date of the monthly payments referred to in paragraphs 1 and 2 or charge the amount of such payment or reduction of amortization of the sum secured by the Security Instrument granted to Lender is not sufficient or failure of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest Lender shall not be required to commence proceedings against any successor in interest or liable to extend time for payment or otherwise modify amortization of the sum secured by the Security Instrument by reason of any default made that will not include the exercise of any right or remedy.

**10. Borrower's Right Against Purchaser By Lender Not a Holder.** Extension of the time for payment or reduction of amortization of the sum secured by the Security Instrument granted to Lender is not sufficient or failure of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest Lender shall not be required to commence proceedings against any successor in interest or liable to extend time for payment or otherwise modify amortization of the sum secured by the Security Instrument by reason of any default made that will not include the exercise of any right or remedy.

**11. Borrower and Assignee Right Against Seller and Second Lender's Creditor.** The covenants and agreements of paragraph 11, Borrower's covenants and agreements shall be joint and several. Any Borrower who consents this Security Instrument but does not execute the Note, (a) regarding the Security Instrument held in mortgage, grant and convey title Borrower's interest in the Property under the terms of this Security Instrument, (b) is not personally subject to the sum secured by the Security instrument and (c) agrees that Lender and any other Borrower may agree to extend, modify, reduce or make any accommodations with regard to the terms of this Security Instrument or the Note without the Borrower's consent.

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

**13. Legislation Affecting Lender's Rights.** If amendment or expiration of applicable law has the effect of rendering any provision of the Note or the Security Instrument ineffective according to current Lender's custom, any regular immediate payment in full of all sums secured by this Security Instrument and any waiver set forth as provided in paragraph 14. If Lender exercises this option, Lender shall take the steps specified in the waiver contained in paragraph 17.

**14. Waiver.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it to the place and via applicable law notices or by 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 to the law firm and 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 the paragraph.

**15. Governing Law, Solvency.** 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 deemed inseparable.

**16. Borrower's Case.** Borrower shall be given one confirmed copy of the Note and of the Security Instrument. → **17. Lender 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 existing or planned by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of noncompliance. The notice shall provide a period of no less than 30 days from the date the notice is delivered or mailed within which Borrower may pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may exercise any remedies permitted in this Security Instrument without further notice or demand on Borrower.

**18. Borrower's Right to Reversion.** If Borrower meets certain conditions, Borrower shall have the right to have repossessed the Security Instrument documents at any time prior to the earlier of (a) the day after next after period as applicable law may specify for repossession, before sale of the Property pursuant to any power of sale contained in this Security Instrument, or (b) entry of a judgment enforcing this Security Instrument. These conditions are that Borrower has paid Lender all sums which then would be due under the Security Instrument and the Note had no acceleration occurred, (in case any default of any other covenant or agreement, no legal expenses incurred in enforcing the Security Instrument, including, but not limited to, reasonable attorney fees, and (d) takes such action as Lender may reasonably request to assure that the law of this Security Instrument, Lender's rights in the Property and Borrower's obligations to pay the sums secured by this Security Instrument shall remain unchanged. Upon noncompliance by Borrower, the Security Instrument and the obligations created hereby shall remain fully effective as of an acceleration had occurred. However, this right is noncumulative and apply in the case of acceleration under paragraph 17 or 18.

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**NON-EMPLOYEE CONTRACTORS:** Borrower and Lender further understand and agree as follows:

→ **21. Acceleration Procedure.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument that are prior to acceleration under paragraphs 23 and 27 above applicable law provides otherwise. The notice shall specify all the defects, by which the default must be cured within a time not less than 30 days from the date the notice is given to Borrower, by which the defects must be cured and all the failure to cure the defect(s) or before the date specified in the notice may result in acceleration of the right to recover by the foreclosing instrument and sale of the Property. The notice shall further advise Borrower of the right to cure such defect(s) after acceleration and the right to bring a court action to assess the non-existence of a default or any other cause of acceleration to acceleration and sale. If the default is not cured or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by the Security Instrument without further demand and may invoke the power of sale and any other remedies provided by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorney's fees and costs of litigation.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold and shall give notice of sale at the recorded in each county in which any part of the Property is located. Lender or Trustee shall give notice of sale at the times prescribed by applicable law to Borrower and to other persons prescribed by applicable law. After the time required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction and at any other time and place and under the terms designated as the terms of sale or sale or private placement as the time and place of the previously established sale. Lender or the Trustee may postpone the property sale if necessary or convenient. Trustee shall deliver to the purchaser Trustee's deed shall be given free of evidence of the terms of the conveyance and expressed or implied. The proceeds of the sale in the following order of priority of the sale, including, but not limited to, compensation, Lender's and attorney's fees from all sums secured by this Security Instrument and other costs to the person or persons legally entitled to it.

**22. Lender in Possession.** Upon acceleration under paragraph 21 or abandonment of the Property, Lender can repossess the Property and shall exercise the Security Instrument and all rights and powers then secured by this Security Instrument in Trustee's name, Lender shall exercise the Property without expense and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recompensation due.

**23. Substitution.** Lender may from time to time remove Trustee and appoint a successor trustee to any power not otherwise conferred upon Trustee herein and by applicable law.

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

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

**26. Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated with and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. (Check applicable bracket)

**Agricultural Rent Rate**       **Construction Rate**       **Landscaping Rate**  
 **Conditioned Payment Rate**       **Planned Unit Development Rate**

By SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and to any addendum executed by Borrower and recorded with it.

*Joseph J. Bruner  
Paula J. Bruner*  
Paula J. Bruner

STATE OF Colorado  
COUNTY OF Boulder

The foregoing instrument was acknowledged before me this 1st day of April, 1987  
→ Joseph J. Bruner and Paula J. Bruner 4/2/87  
→ Notary Public

*Notary Public*

This instrument was signed by Joseph J. Bruner, First Federal Savings and Loan Association, Inc.

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## ADJUSTABLE RATE LOAN RIDER

**SINCE THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE, INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS, DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.**

The Lender is making this 1st day of April 1981 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed in Fee Simple dated "Security Instrument" of the same date given by the undersigned of the "Borrower" to secure Borrower's Note in favor of Lender dated April 1, 1981, in the sum of \$10,000.00 (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at 2342 Columbia Avenue, Eugene, Oregon, 97401.

Adjustable Rate Rider

This Rider, in addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

### A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note has an "Initial Interest Rate" of 9.15%. The Note interest rate may be increased or decreased on the 1st day of the month beginning on January 1, 1981, and on the day of the month every 12 months thereafter.

Changes in the interest rate are governed by changes in an interest rate index called the "Index". The Index is the "12 Month Constant Income Rate, Purchase of Previously Occupied Homes, National Average for All Types of Lenders" published by the Federal Home Loan Bank Board.

C

~~One or more changes in the interest rate will not change the interest rate at any Change Date; however, the interest rate may change.~~

C There is an automatic limit on changes in the interest rate at any Change Date.

~~One or more changes in the interest rate cannot be changed by more than 1.00 percentage points at any Change Date.~~

C If the interest rate changes, the amount of Borrower's monthly payments will change as provided in the Note. Increases in the interest rate will result in higher payments. Decreases in the interest rate will result in lower payments.

### B. LOAN CHARGES

It should be that the loan secured by the Security Instrument is subject to a law which was established before charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with the loan would exceed permitted limits. If this is the case, then: (A) any such loan charge shall be reduced to the amount necessary to reduce the charge to the permitted limit, and (B) any sums already collected from Borrower which exceed of 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.

### C. FORECLOSURE

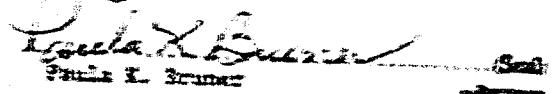
If Lender determines that all or any part of the sums secured by this Security Instrument are subject to a law which has priority over the Security Instrument, Lender may send Borrower a notice identifying that law. Borrower shall promptly act with regard to that law as provided in paragraph 4 of the Security Instrument or shall promptly enter an agreement in a form satisfactory to Lender acknowledging that law as the Security Instrument.

### D. TRANSFER OF THE PROPERTY

If there is a transfer of the Property subject to paragraph 17 of the Security Instrument, Lender may require (A) an increase in (or renewal of) the term or the amount of any existing note or change (if there is a limit) or (B) a change in the base index figure, or all of these, as a condition of Lender's giving the option to transfer provided in paragraph 17.

By signing this, Borrower agrees to all of the above.

~~(a) limit on the interest rate adjustments during the life of the loan of plus or minus three (± 3.00) percentage points.~~

  
 John S. Brown  
  
 Paula L. Brown

~~ADJUSTABLE RATE LOAN RIDER - NO SECURITY CLAUSE~~

STATE OF OREGON COUNTY OF CLACKAMAS

Filed for record in County of	Adams Title Company	on	1981	at	100	in	100
on	APR 15 1981	at	100 PM	in	100	in	100
for	RECORDED	on	Page	547	in	100	in
RECORDED	RECORDED	RECORDED	RECORDED	RECORDED	RECORDED	RECORDED	RECORDED

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STATE OF OREGON COUNTY OF Klamath

Filed for record as exhibits of John T. Gandy at Recd.  
of Date 12.8.57 in 1955 case A. M. and son recorded in Vol. 197  
Exhibit 1 on page 5412

SEE REVERSE

Exhibit 1  
Page 5412