

76869

TRUST DEED

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THIS TRUST DEED, made this 24th day of

Ralph E. Buckingham and Mary Susan Buckingham

June

19 87

between

KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation organized and existing under the laws of the 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:
A parcel of land being that portion of the SW1/4NE1/4 of Section 10, Township 40 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, lying Westerly of a private drain ditch, said parcel being more particularly described as follows:
Beginning at the Southwest corner SW1/4NE1/4 of said Section 10; thence North 89°45'43" East along the South line of said SW1/4NE1/4, 324.72 feet to the centerline of a private drain ditch; thence following said private drain ditch the following courses: North 22°15'16" East, 106.86 feet, North 03°34'35" West, 80.15 feet; North 16°11'21" West, 38°16'47" West, 113.67 feet to a point where said ditch intersects the North line of the SW1/4NE1/4 of said Section 10; thence South 89°46'31" West along said North line 135.41 feet to the Northwest corner thereof; thence South 00°12'10" West, 666.96 feet to the point of beginning.
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 may become immediately due and payable.

which said described real property is not currently used for agricultural, timber or grazing purposes, together with all and singular the appurtenances, tenements, hereditaments, rents, issues, profits, water rights, easements or privileges now or hereafter belonging to, derived from or in anywise appertaining to the above described premises, and all plumbing, lighting, heating, ventilation, air-conditioning, refrigerating, watering and irrigation apparatus, equipment and fixtures, together with all awnings, venetian blinds, floor covering in place such as wall-to-wall carpeting and linoleum, shades and built-in appliances now or hereafter installed in or used in connection with the above described premises, including all interest therein which the grantor has or may hereafter acquire, for the purpose of securing performance of each agreement of the grantor herein contained and the payment of the sum of Five Thousand and No/100ths (\$5,000.00) Dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable to the beneficiary or order and made by the grantor, principal and interest being payable in monthly installments of \$ 58.41 commencing July 15, 19 87.

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 any of said notes or part of any payment on one note and part on another, 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 having priority over this trust deed; to complete all buildings in course of construction hereof or the date construction of said premises within six months from the date of completion of construction; to allow beneficiary to inspect and improve on the property which may be damaged or destroyed and pay, when due, all costs incurred thereafter; to replace any work or materials unsatisfactory to beneficiary within fifteen days after written notice from beneficiary to the grantor; not to remove or destroy any building or improvements now or hereafter constructed on said premises; to keep all buildings and improvements now or hereafter erected upon said property in good repair and to commit or suffer by fire or such other hazards as said premises continuously insured against loss in a sum not less than the original principal sum of the note or obligation secured by this trust deed; to deliver the original policy of insurance to the beneficiary, and to deliver the original policy of insurance in full force and effect, approved loss payable clause, in favor of the beneficiary attached and with fifteen days prior to the effective date of business of the beneficiary at least said policy of insurance is not so tendered to the beneficiary at least shall be non-cancelable 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 and in addition to the monthly payments of principal and interest payable under the terms of the note or obligation secured hereby, an amount equal to one-twelfth (1/12th) of the taxes, assessments and other charges due and payable with respect to said property within each succeeding twelve months, and also one-thirtieth (1/30th) of the insurance premiums on such sums to be credited to the principal of the loan until the loan is paid in full; or, at the option of the beneficiary, the sums so paid shall be held by the beneficiary in trust as a reserve account, without interest, to pay said premiums, taxes, assessments or other charges when they shall become due and payable.

While the grantor is to pay any and all taxes, assessments and other charges levied or assessed against said property, or any part thereof, before the same begin to bear interest and also to pay premiums on all insurance policies upon said property, such payments are to be made through the beneficiary, as aforesaid. The grantor hereby authorizes the beneficiary to be the collector of such taxes, assessments and other charges levied or imposed upon the insurance premiums in the amounts shown by the statements thereof furnished principal of the loan or their representatives as to the statements submitted by the reserve account, in any, established for that purpose. The grantor agrees in no event to hold the beneficiary responsible for failure to have any insurance written or for any loss or damage growing out of a defect in any insurance policy, and the beneficiary hereby is authorized, in the event of any such loss, to compromise and settle with any insurance company and to apply any such insurance receipts upon the obligations secured by this trust deed, computing the amount of the indebtedness for payment and satisfaction in full or upon sale or other acquisition of the property by the beneficiary after

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 at any time 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 note, shall be repayable by the grantor on demand and shall be secured by the lien of this trust deed. In this connection, the beneficiary shall have the right in its discretion to complete any improvements made on said premises and have the right 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 the other costs and expenses of the trustee incurred in connection with or in enforcing this obligation, and trustee's and attorney's fees actually incurred by or for the grantor in and defense of any action or proceeding brought by or for the beneficiary or the trustee or attorney to enforce the security of this trust deed, to be fixed by the court, 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, prosecute in its own name, appear in or defend any action or proceedings, or to make any compromise or settlement in connection with such taking and, if it so elects, to require that all or any portion of the money payable as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees actually incurred by the grantor in such proceedings, shall be paid to the beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees necessarily paid or incurred by the beneficiary in such proceedings, and the grantor agrees, if necessary, 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 reimbursement, for cancellation, without affecting the liability of any person for the payment of the indebtedness, the trustee may (a) consent to the making of any map or plat of said property, (b) join in partitioning any case or estate or creating and restriction thereon, and (c) join in any subdivision or other agreement affecting this deed or the lien or charge hereon, (d) receive any person or persons legally entitled thereto. The grantor in any reimbursement may be described as the "person or persons legally entitled thereto" and the results thereof of any map or plat shall be shown on the map or plat of the tract. Trustee's fees for any of the services in this paragraph shall be shown on the map or plat.

3. As additional security, grantor hereby assigns to beneficiary during the continuance of this trust all rents, issues, royalties and profits of the property affected by this deed and of any personal property located thereon. The grantor shall default in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, grantor shall have the right to collect all such rents, issues, royalties and profits earned prior to default, as they become due and payable. Upon any default by the grantor hereunder, the beneficiary may at any time without notice, either in person, by agent or by attorney, be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the same, rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as the beneficiary may determine.

DATED: _____, 19__