

81091 TRUST DEED

THIS TRUST DEED, made this 27th day of October, 1987 between

JOANNE B. AZEVEDO, a single person as grantor, William Sisemore, as trustee, and 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:

BEFORE21 FOR LIT RECORDATION
Lot 10 in Block 42 of FIRST ADDITION TO THE CITY OF KLAMATH FALLS, Klamath County, Oregon.

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 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, ventilating, 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 materials now or hereafter acquired for the purpose of securing performance of each agreement of the grantor herein contained and the payment of the sum of ten thousand two hundred thirty dollars and no/100ths (\$10,290.00), Dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable to the beneficiary or order made by the grantor, principal and interest being payable in monthly installments of \$123.50 commencing December 5, 1987.

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 other persons having an interest in the above described property, as may be evidenced by note or notes. If the indebtedness secured by this trust deed is evidenced by more than one note, the beneficiary may create payments received by it upon 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 precedence over this trust deed; to complete all buildings in course of construction hereof or the date construction is hereafter commenced; to repair and restore promptly and in good workmanlike manner any building or improvement on said property which may be damaged or destroyed and pay, when due, all costs incurred therefor; to allow beneficiary to inspect said property at all times during construction; to replace any work or materials unsatisfactory to beneficiary within fifteen days after written notice from beneficiary of such defect; 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 no waste of said premises; to keep all buildings, property and improvements now or hereafter erected on said premises continuously insured against loss by fire or such other hazards as the beneficiary may from time to time require, in a sum not less than the original principal sum of the note or obligation secured by this trust deed, in a company or companies acceptable to the beneficiary, and to deliver the original policy of insurance in correct form and with approved payable clause in favor of the beneficiary at least fifteen days prior to the effective date of any such policy of insurance. If premium paid, to the principal place of any such policy of insurance, if fifteen days prior to the effective date of the beneficiary's policy of insurance 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-thirty-sixth (1/36th) of the insurance premiums payable with respect to said property within each succeeding twelve months. This trust deed shall be credited to the principal of the loan until required for the several purposes thereof and shall thereupon be charged to the principal of the loan, 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 pay any and all taxes, assessments and other charges levied or imposed against said property in the amounts shown by the statements thereof, furnished by the collector of such taxes, assessments or other charges, and to pay the insurance premiums in the amounts shown on the statements furnished by the insurance carriers or their representatives, and to charge said sums to the principal of the loan or to withdraw the sums which may be required from the reserve account, if any, established for that purpose. The grantor agrees in no event to hold the beneficiary responsible for failure to have any insurance written up for any loss or damage growing out of the event of any insurance policy, and the beneficiary hereby is authorized to apply any such insurance receipts upon the indebtedness for payment and satisfaction in computing the amounts of the indebtedness for payment and satisfaction after 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 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 the other costs and expenses of the trustee incurred in connection with enforcing this obligation, and trustee's and attorney's fees actually incurred; in enforcing this obligation, and trustee's and attorney's fees actually incurred; to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of evidence of title and attorney's fees in a reasonable sum 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 amount payable as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or 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 balance applied upon the indebtedness secured hereby; and the grantor agrees, 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 interest on the note secured hereby shall be deferred, for cancellation, without presentation of this deed and the note for endorsement (in case of full recovery, 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 granting any easement or creating and restriction thereon; (c) join in any subdivision or other agreement affecting this deed or the lien or charge hereof; (d) reconvey to the grantor or any other person; (e) execute any deed or instrument in any manner or for any purpose; (f) execute any deed or instrument in any manner or for any purpose; (g) execute any deed or instrument in any manner or for any purpose; (h) execute any deed or instrument in any manner or for any purpose; (i) execute any deed or instrument in any manner or for any purpose; (j) execute any deed or instrument in any manner or for any purpose; (k) execute any deed or instrument in any manner or for any purpose; (l) execute any deed or instrument in any manner or for any purpose; (m) execute any deed or instrument in any manner or for any purpose; (n) execute any deed or instrument in any manner or for any purpose; (o) execute any deed or instrument in any manner or for any purpose; (p) execute any deed or instrument in any manner or for any purpose; (q) execute any deed or instrument in any manner or for any purpose; (r) execute any deed or instrument in any manner or for any purpose; (s) execute any deed or instrument in any manner or for any purpose; (t) execute any deed or instrument in any manner or for any purpose; (u) execute any deed or instrument in any manner or for any purpose; (v) execute any deed or instrument in any manner or for any purpose; (w) execute any deed or instrument in any manner or for any purpose; (x) execute any deed or instrument in any manner or for any purpose; (y) execute any deed or instrument in any manner or for any purpose; (z) execute any deed or instrument in any manner or for any purpose.

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 personal property located thereon. Until 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 a receiver to 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 said property, or any part thereof, in its own name, sue for or otherwise collect 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.

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1. The undersigned, the grantor, of the above described property, do hereby certify that the above described property is the property of the undersigned, the grantor, and that the undersigned, the grantor, is the owner of the above described property.

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20. The undersigned, the grantor, do hereby certify that the above described property is the property of the undersigned, the grantor, and that the undersigned, the grantor, is the owner of the above described property.

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

Joanne B. Azevedo (SEAL)

Joanne B. Azevedo (SEAL)

STATE OF OREGON

County of Klamath

THIS IS TO CERTIFY that on this 27th day of October, 1987, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named JOANNE B. AZEVEDO

to me personally known to be the identical individual named in and who executed the foregoing instrument and acknowledged to me that she executed the same freely and voluntarily for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

Notary Public for Oregon

My commission expires: 7-6-90

Loan No. 62-12-01330

TRUST DEED

SUCCESSORS TO JOANNE B. AZEVEDO

Grantor

TO

KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION

Beneficiary

After Recording Return To:

KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION

P. O. Box 5270

Klamath Falls, OR 97601

Fee: \$10.00

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: William Simons, 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.

JOANNE B. AZEVEDO

THIS TRUST DEED was made and signed on

DATED: 1987

Klamath First Federal Savings & Loan Association, Beneficiary

By: Evelyn Biehn, County Clerk

Deputy