

ENTER RECORDING RETURN TO:
U.S. Bancorp Mortgage Company
State of Oregon 4611

555 SW Oak Street, PL-5
Portland, Oregon 97204

Deed of Trust

Vol m89 Page 16277

En #1542827

RIA Case No.

431-2346421-743

This Deed of Trust, made this 20th day of August, 1989, between Michael D. Book, whose address is (Street and number, city) 4512 Sturdivant Avenue, Klamath Falls, Oregon 97603 and U.S. Bank of Washington, National Association, whose address is (Street and number, city) 555 SW Oak Street, Portland, Oregon 97204, as Grantor, and U.S. Bancorp Mortgage Company, whose address is (Street and number, city) 555 SW Oak Street, Portland, Oregon 97204, as Trustee, and U.S. Bank of Washington, National Association, whose address is (Street and number, city) 555 SW Oak Street, Portland, Oregon 97204, as Beneficiary.

Witnesseth That Grantor irrevocably Grants, Conveys, SELLS and CONVEYS to Trustees in Trust, with Power of Sale, the Property described below, situated, lying and being in the County of Klamath, State of Oregon, described as:

Lot 6 in Block 2 of Tract No. 1007, WINCHESTER, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Rider to Deed of Trust attached hereto and incorporated herein by reference, which rider contains all the terms and conditions of this Deed of Trust, except those relating to the payment of taxes, which are contained in the Rider attached hereto.

Tax Account No. 3909, 011CC, 12500

(I) Description of the property: Land consisting of one acre, more or less, bounded on the west by the public road leading to the town of Klamath; on the east by the public road leading to the town of Klamath; on the north by the public road leading to the town of Klamath; and on the south by the public road leading to the town of Klamath.

Together with all the tenements, hereditaments, and appurtenances now or hereafter thereto belonging or in anywise appertaining, and the rents, issues, and profits thereof. Subject However, to the right, power, and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues, and profits.

To Have and To Hold the same, with the appurtenances, into Trustee.

For the Purpose of Securing Performance of each agreement of Grantor herein contained and payment of the sum of

Thirty Seven Thousand Seven Hundred Thirty One and 00/100 with interest thereon according to the terms of a promissory note, dated

Dollars (\$ 37,731.00).

payable to the Beneficiary or order and made by Grantor, the final payment of principal and interest thereof, if not sooner paid, being due and payable on the first day of September, 2019.

This form is used in connection with deeds of trust insured under the one- to four-family programs of the National Housing Act which require a One-Time Mortgage Insurance Premium payment (including sections 203(b) and (l)) in accordance with the regulations for those programs.

Previous Editions Are Obsolete.

1. Privilege is reserved to pay the debt in whole or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity. Provided, however, That written notice of an intention to exercise such privilege is given at least thirty (30) days prior to prepayment.

2. Grantor agrees to pay to Beneficiary in addition to the monthly payments of principal and interest payable under the terms of said note, on the first day of each month until said note is fully paid, the following sums:

(a) A sum, as estimated by the Beneficiary, equal to the ground rents, if any, and the taxes and special assessments next due on the premises covered by this Deed of Trust, plus the premiums that will next become due and payable on policies of fire and other hazard insurance on the premises covered hereby as may be required by Beneficiary in amounts and in a company or companies satisfactory to Beneficiary, Grantor agreeing to deliver promptly to Beneficiary all bills and notices therefor, less all sums already paid therefor divided by the number of months to elapse before 1 month prior to the date when such ground rents, premiums, taxes and assessments will become delinquent, such sums to be held by the Beneficiary in trust to pay said ground rents, premiums, taxes and special assessments, before the same become delinquent; and

(b) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid each month in a single payment to be applied by Beneficiary to the following items in the order set forth:

- (i) ground rents, if any, taxes, special assessments, fire and other hazard insurance premiums;
- (ii) interest on the note secured hereby; and
- (iii) amortization of the principal of the said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good prior to the due date of the next such payment, constitute an event of default under this Deed of Trust.

3. In the event that any payment or portion thereof is not paid within fifteen (15) days from the date of the same is due, Grantor agrees to pay a "late charge" of four cents (4c) for each dollar so overdue, if charged by Beneficiary.

4. If the total of the payments made by Grantor under (a) of paragraph 2 preceding shall exceed the amount of payments actually made by Beneficiary for ground rents, taxes or assessments, or insurance premiums, as the case may be, such excess, if the loan is current, at the option of the Grantor, shall be credited on subsequent payments to be made by Grantor, or refunded to the Grantor. If, however, the monthly payments made under (a) of paragraph 2 preceding shall not be sufficient to pay ground rents, taxes, and assessments, and insurance premiums, as the case may be, when the same shall become due and payable, then Grantor shall pay to Beneficiary any amount necessary to make up the deficiency on or before the date when payment of such ground rents, taxes, assessments, or insurance premiums shall be due. If at any time Grantor shall tender to Beneficiary, in accordance with the provisions hereof, full payment of the entire indebtedness secured hereby, Beneficiary shall, in computing the amount of indebtedness, credit to the account of Grantor any balance remaining in the funds accumulated under the provisions of (a) of paragraph 2 hereof. If there shall be a default under any of the provisions of this Deed of Trust and thereafter a sale of the premises in accordance with the provisions hereof, or the Beneficiary acquires the property otherwise after default, Beneficiary shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under (a) of paragraph 2 preceding, as a credit against the amount of principal then remaining unpaid under said note.

1. Protect the Security of This Deed of Trust. Grantor Agrees: To keep said property in as good order and condition as they now are and not to commit or permit any waste thereof, reasonable wear and tear excepted.

6. To complete or restore promptly and in good workmanlike manner any building or improvement which may be constructed, damaged, or destroyed thereon, and pay when due all costs incurred therefor, and, if the loan secured hereby or any part thereof is being obtained for the purpose of financing construction of improvements on said property, Grantor further agrees:

(a) to commence construction promptly and in any event within 30 days from the date of the commitment of the Department of Housing and Urban Development, and complete same in accordance with plans and specifications satisfactory to Beneficiary.

(b) to allow Beneficiary to inspect said property at all times during construction.

(c) to replace any work or materials unsatisfactory to Beneficiary, within fifteen (15) calendar days after written notice from Beneficiary of such fact, which notice may be given to the Grantor by registered mail, sent to his last known address, or by personal service of the same.

(d) that work shall not cease on the construction of such improvements for any reason whatsoever for a period of fifteen (15) calendar days.

The Trustee, upon presentation to it of an affidavit signed by Beneficiary, setting forth facts showing a default by Grantor under this numbered paragraph, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

7. Not to remove or demolish any building or improvement thereon.

8. To comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting said property.

9. To provide and maintain insurance against loss by fire and other hazards, casualties, and contingencies including war damage as may be required from time to time by the Beneficiary in such amounts and for such periods as may be required by the Beneficiary, with loss payable to the Beneficiary and Grantor, as their interests may appear, and to deliver all policies to Beneficiary, which delivery shall constitute an assignment to Beneficiary of all return premiums.

10. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and should Beneficiary or Trustee elect to also appear in or defend any such action or proceeding, to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum incurred by Beneficiary or Trustee.

11. To pay at least 10 days before delinquency all assessments upon water company stock, and all rents, assessments and charges for water, appurtenant to or used in connection with said property, to pay, when due, all encumbrances, charges, and liens with interest on said property or any part thereof, which at any time appear to be prior or superior hereto; to pay all costs, fees, and expenses of this Deed of Trust.

12. To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the rate provided on the principal debt, and the repayment thereof shall be secured hereby.

13. To do all acts and make all payments required of Grantor and of the owner of the property to make said note and this Deed

154-8327
Christensen

16281

STATE OF OREGON

FHA NO. 431-2346421 748

RIDER TO DEED OF TRUST

This RIDER TO DEED OF TRUST is attached to and made a part of that DEED OF TRUST

dated August 23 1989, between

GRANTOR Michael D. Book

TRUSTEE US Bank of Washington, National Association

BENEFICIARY US Bancorp Mortgage Company

1. Paragraph 1 which reads as follows, is deleted:

"Privilege is reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity: Provided, however, That written notice of an intention to exercise such privilege is given at least thirty (30) days prior to prepayment."

2. Paragraph 1 is amended to read as follows:

"Privilege is reserved to pay the debt, in whole or in part, on any instalment due date."

3. The following paragraph is added to the Deed of Trust following paragraph 19.

The beneficiary shall, with the prior approval of the Federal Housing Commissioner, or his designee, declare all sums secured by this deed of trust to be immediately due and payable if all or part of the property is sold or otherwise transferred (other than by devise, descent or operation of law) by the grantor, pursuant to a contract of sale executed not later than 12 months after the date on which this deed of trust is endorsed for insurance, to a purchaser whose credit has not been approved in accordance with the requirements of the Commissioner.

Michael D. Book
Michael D. Book

STATE OF OREGON, ss.
County of Klamath

Filed for record at request of:

Mountain Title Co.
on this 30th day of Aug. A.D. 1989
at 12:23 o'clock P.M. and duly recorded
in Vol. M89 of Mortgages Page 16277.
Evelyn Biehn County Clerk
By Deborah McVayolee
Deputy.

Fee 28.00

Use with Oregon HUD-92169-T.1 (5/85 Edition)