

THIS TRUST DEED, made this 19th day of October

1989 between

Luis E. Macy

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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:

Please see attachment for legal description

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, venti-
 lating, 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 100/100
 (\$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 \$61.94 commencing
 November 25, 1989

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 secured by this trust deed is evidenced by more than one note,
 the beneficiary may credit 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 pre-
 cedence over this trust deed; to complete all buildings in course of construction
 hereof or the date construction is hereafter commenced; to repair and restore
 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
 fact; 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
 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 ben-
 efiary, and to deliver the original policy of insurance in correct form and with
 approved loss payable clause in favor of the beneficiary attached and with
 premium paid to the principal place of business of the beneficiary at least
 fifteen days prior to the effective date of any such policy of insurance. If
 said policy of insurance is not so tendered, the beneficiary may in its own
 discretion obtain insurance for the benefit of the beneficiary, which insurance
 shall be non-cancellable by the grantor during the full term of the policy thus
 obtained.

In order to provide regularly for the prompt payment of said taxes, assess-
 ments 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 suc-
 ceeding twelve months, and also one-thirty-sixth (1/36th) of the insurance premiums
 this trust deed with respect to said property within each succeeding three years while
 such sums to be credited to the principal of the loan until required for 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 ben-
 efiary, as aforesaid. The grantor hereby authorizes the beneficiary to pay
 said property in the amounts as 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 submitted by
 the insurance carrier 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 insur-
 ance policy, or for any loss or damage growing out of a defect in any insur-
 ance policy, or the beneficiary hereby is authorized, in the event of any
 loss, to compromise and settle with the insurance company and to apply any
 such insurance receipts upon the obligations secured by this trust deed. In
 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 there-
 for 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 or
 in enforcing this obligation, and trustee's and attorney's fees actually incurred;
 its hereof or the rights or powers of proceeding purporting to affect the secur-
 ity hereof or the rights or powers of the beneficiary or trustee; and to pay all
 costs and expenses, including cost 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 ben-
 efiary 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 ac-
 tion 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 re-
 quired to pay all reasonable costs, expenses and attorney's fees necessarily paid
 and applied by it first upon any reasonable costs and expenses and attorney's
 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
 presentation of this deed and the note for endorsement (in case of full reconveyance, for cancellation), without
 affecting the liability of any person for the payment of the indebtedness, the trustee may (a) consent to the mak-
 ing of any map or plat of said property; (b) join in granting any easement or creating and restriction thereon, (c)
 join in any subordination or other agreement affecting this deed or the lien or charge hereof; (d) reconvey
 without warranty, all or any part of the property. The grantee in any reconveyance may be described as the
 "person or persons legally entitled thereto" and the recitals therein of any matters or facts shall be conclusive
 proof of the truthfulness thereof. Trustee's fees for any of the services in this paragraph shall be not less than
 \$5.00.

3. As additional security, grantor hereby assigns to beneficiary during the
 continuance of these trusts all rents, issues, royalties and profits of the prop-
 erty affected by this deed and of any personal property located thereon. Until
 the performance of any agreement hereunder, grantor shall have the right to col-
 lect 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 ben-
 efiary may at any time without notice, 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 rents, issues and profits, including those past due and unpaid, and apply
 the same, less costs and expenses of operation and collection, including reason-
 able attorney's fees, upon any indebtedness secured hereby, and in such order
 as the beneficiary may determine.

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4. The entering upon and taking possession of said property, the collection of such rents, issues and profits or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof, as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

5. The grantor shall notify beneficiary in writing of any sale or contract for sale of the above described property and furnish beneficiary on a form supplied it with such personal information concerning the purchaser as would ordinarily be required of a new loan applicant and shall pay beneficiary a service charge.

6. Time is of the essence of this instrument and upon default by the grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable by delivery to the trustee of written notice of default and election to sell the trust property, which notice trustee shall cause to be duly filed for record. Upon delivery of said notice of default and election to sell, the beneficiary shall deposit with the trustee this trust deed and all promissory notes and documents evidencing expenditures secured hereby, whereupon the trustee shall fix the time and place of sale and give notice thereof as then required by law.

7. After default and any time prior to five days before the date set by the Trustee for the Trustee's sale, the grantor or other person so privileged may pay the entire amount then due under this trust deed and the obligations secured thereby (including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding the amount provided by law) other than such portion of the principal as would not then be due had no default occurred and thereby cure the default.

8. After the lapse of such time as may then be required by law following the recordation of said notice of default and giving of said notice of sale, the trustee shall sell said property at the time and place fixed by him in said notice of sale, either as a whole or in separate parcels, and in such order as he may determine, at public auction to the highest bidder for cash, in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale and from time to time thereafter may postpone the sale by public announcement.

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

Lois E. Macy (SEAL)
Lois E. Macy

STATE OF OREGON } ss
County of Klamath

THIS IS TO CERTIFY that on this 25th day of October, 19 89, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named Lois E. Macy

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 TESTIMONY WHEREOF, have hereunto set my hand and affixed my notarial seal the day and year last above written.



Judith L. Morgado
Notary Public for Oregon
My commission expires: 8-31-91

Loan No. <u>0103940233</u> <h2 style="text-align: center;">TRUST DEED</h2> <u>Lois E. Macy</u> Grantor TO KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION Beneficiary After Recording Return To: KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION 2043 South 6th Street Klamath Falls, OR 97603		STATE OF OREGON } ss. County of _____ I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book _____ on page _____ Record of Mortgages of said County. Witness my hand and seal of County affixed: _____ County Clerk By _____ Deputy
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REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: William Sisemore, _____, 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.

Klamath First Federal Savings & Loan Association, Beneficiary

by _____

DATED: _____, 19____

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1989 DEED

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The following described real property situate in Klamath County, Oregon: A piece or parcel of land situate in the N 1/2 SE 1/4 NW 1/4 of Section 11, Township 39 South Range 9, E. W. M. in Klamath County, Oregon, more or less described as follows: Beginning at a point in the center line of 60 foot roadway from which the section corner common to Sections 2, 3, 10 and 11, Township 39 S. R. 9, E. W. M., and as marked on the ground by an iron pin driven therein, bears South 89° 44' 1/2" West along the said roadway center line 1353.8 feet, to a point in the West boundary of the said Section 11, and North 0° 13' 1/2" West 1662.5 feet to said section corner and running thence North 0° 01' West 331.5 feet, to a point in the Northerly boundary of the Said N 1/2 SE 1/4 NW 1/4 of Section 11, thence North 89° 47' East along said boundary line 65.7 feet; thence South 0° 01' East 331.45 feet more or less to an intersection with the center line of the above mentioned roadway, thence South 89° 44' 1/2" West along said roadway center line 65.7 feet, more or less, to the said point of beginning.

Together with the following described mobile home which is firmly affixed to the property: 1979 Eaton Park, 2U, 28 x 70, 11809298, X162570.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co. the 19th day of Oct. A.D., 19 89 at 3:43 o'clock P M., and duly recorded in Vol. M89 of Mortgages on Page 19968.

FEE \$18.00

Evelyn Biehn County Clerk

By Pauline Mendenhall