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TRUST DEED

THIS TRUST DEED, made this 7th day of November, 19 91,

between Michael J. Reynolds and Carmen L. Reynolds, as Grantor,
Aspen Title and Escrow, Inc., as Trustee, and

Associates Financial Services Company of Oregon, Inc., as Beneficiary,
259 Barnett Rd, Suite J, Medford, OR, 97501

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in _____
Klamath County, Oregon, described as:

Lot 10, Block 202, MILLS SECOND ADDITION to the City of Klamath
Falls, County of Klamath, State of Oregon.

which real property is not currently used for agricultural, timber or grazing purposes, together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now appertaining, and the rents, issues and profits thereof and all fixtures now attached to or used in connection with said real estate:

For the purpose of securing: (1) Payment of the indebtedness and all other lawful charges evidenced by a loan agreement of even date herewith, made by grantor, payable to the order of beneficiary at all times, in the manner as therein set forth, having a Total of Payments of \$ 20536.01, payable in 84 monthly installments: 1 at \$ 249.98 followed by 83 at \$ 244.41 followed by 0 at \$ 0, with an Annual Percentage Rate of 19.99 %, with a principal balance of \$ 12111.09, and any extensions thereof; (2) performance of each agreement of grantor herein contained; (3) payment of all sums expended or advanced by beneficiary under or pursuant to the terms hereof, together with interest thereon as herein provided.

The agreed rate of interest is (check applicable box):

- ☒ 16.5 % per year on unpaid principal balances.
☐ 36% per year on that part of the unpaid principal balance of \$500 or less; 30% per year on that part of the unpaid principal balance over \$500 and not exceeding \$1,000; and 24% per year on that part of the unpaid principal balance which is more than \$1,000.

To protect the security of this trust deed, grantor agrees:

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workman-like manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; and do all other acts which from the character or use of said property may be reasonably necessary; the specific enumerations herein not excluding the general.

2. To provide, maintain and deliver to beneficiary insurance on the premises satisfactory to the beneficiary and with loss payable to the beneficiary. The amount collected under any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected or any part thereof may be released to grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. To pay all costs, fees and expenses of this trust including the cost of title search as well as other costs and expenses of the trustee incurred in connection with or enforcing this obligation, and trustee's and attorney's fees actually incurred as permitted by law.

4. 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 to pay all costs and expenses, including costs of evidence of title and attorney's fees in a reasonable sum as permitted by law, in any such action or proceeding in which beneficiary or trustee may appear.

5. To pay at least ten (10) days prior to delinquency all taxes or assessments affecting the property; to pay when due all encumbrances, charges and liens with interest on the property or any part thereof that at any time appear to be prior or superior hereto.

6. If grantor fails to perform any of the above duties to insure or preserve the subject matter of this trust deed, then beneficiary may, but without obligation to do so and without notice to or demand on grantor and without releasing grantor from any obligation hereunder, perform or cause to be performed the same in such manner and to such extent as beneficiary may deem necessary to protect the security hereof. Beneficiary may, for the purpose of exercising said powers; enter onto the property; commence, appear in or defend any action or proceeding purporting to affect the security hereof or the rights and powers of beneficiary; pay, purchase, contest or compromise any encumbrance, charge or lien, which in the judgment of beneficiary appears to be prior or superior hereto; and in exercising any such powers beneficiary may incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor including cost of evidence of title, employ counsel and pay his reasonable fees. Grantor covenants to repay immediately and without demand all sums expended hereunder by beneficiary, together with interest from date of expenditure at the agreed rate shown above until paid, and the repayment of such sums are secured hereby.

It is mutually agreed that:

7. Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to beneficiary who may apply or release such monies received by it in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.