

NC

13663

TRUST DEED

Vol 1996 Page 4701



THIS TRUST DEED, made this 16th day of FEBRUARY, 1996, between
 KEVIN CHARLES PELLETIER, SR AND ANNETTE ROXANNE PELLETIER, HUSBAND AND WIFE
 _____, as Grantor,
 MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY
 _____, as Trustee, and
 THE KLAMATH TRIBES HOUSING AUTHORITY, A PUBLIC CORPORATE BODY
 _____, as Beneficiary,

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in
 KLAMATH County, Oregon, described as:
 Lots 52 and 53 of PONDEROSA PARK, according to the official plat thereof on file in
 the office of the County Clerk of Klamath County, Oregon.

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now
 or hereafter appertaining, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection with
 the property.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum
 of TWENTY FIVE THOUSAND AND NO/100ths ***

_____ Dollars, with interest thereon according to the terms of a promissory
 note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if
 not sooner paid, to be due and payable February 16, 2006.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of the note
 becomes due and payable. Should the grantor either agree to, attempt to, or actually sell, convey, or assign all (or any part) of the prop-
 erty or all (or any part) of grantor's interest in it without first obtaining the written consent or approval of the beneficiary, then, at the
 beneficiary's option*, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or herein, shall be-
 come immediately due and payable. The execution by grantor of an earnest money agreement** does not constitute a sale, conveyance or
 assignment. THE TERMS OF THE PROMISSORY NOTE, SET FORTH IN EXHIBIT "A" ATTACHED HERETO ARE
 HEREBY INCORPORATED HEREIN.

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

1. To protect, preserve and maintain the property in good condition and repair; not to remove or demolish any building or im-
 provement thereon; not to commit or permit any waste of the property.
2. To complete or restore promptly and in good and habitable condition any building or improvement which may be constructed,
 damaged or destroyed thereon, and pay when due all costs incurred therefor.
3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property; if the beneficiary
 so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and
 to pay for filing same in the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching
 agencies as may be deemed desirable by the beneficiary.
4. To provide and continuously maintain insurance on the buildings now or hereafter erected on the property against loss or
 damage by fire and such other hazards as the beneficiary may from time to time require, in an amount not less than \$ Full Insurable
 written in companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the bene-
 ficiary as soon as insured; if the grantor shall fail for any reason to procure any such insurance and to deliver the policies to the beneficiary
 at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on the buildings, the beneficiary may pro-
 cure the same at grantor's expense. 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 here-
 under or invalidate any act done pursuant to such notice.
5. To keep the property free from construction liens and to pay all taxes, assessments and other charges that may be levied or
 assessed upon or against the property before any part of such taxes, assessments and other charges become past due or delinquent and
 promptly deliver receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums,
 liens or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such pay-
 ment, beneficiary may, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in the note
 secured hereby, together with the obligations described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of
 the debt secured by this trust deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments,
 with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are
 bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable without notice,
 and the nonpayment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and pay-
 able and constitute a breach of this trust deed.
6. 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.
7. To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee;
 and in any suit, action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of this deed,
 to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees; the amount of attorney's fees
 mentioned in this paragraph 7 in all cases shall be fixed by the trial court and in the event of an appeal from any judgment or decree of
 the trial court, grantor further agrees to pay such sum as the appellate court shall adjudge reasonable as the beneficiary's or trustee's at-
 torney's fees on such appeal.

It is mutually agreed that:

8. In the event that any portion or all of the property shall be taken under the right of eminent domain or condemnation, bene-
 ficiary shall have the right, if it so elects, to require that all or any portion of the monies payable as compensation for such taking,

NOTE: The Trust Deed Act provides that the trustee hereunder must be either an attorney, who is an active member of the Oregon State Bar, a bank, trust company
 or savings and loan association authorized to do business under the laws of Oregon or the United States, a title insurance company authorized to insure title to real
 property of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.585.

*WARNING: 12 USC 1701j-3 regulates and may prohibit exercise of this option.

**The publisher suggests that such an agreement address the issue of obtaining beneficiary's consent in complete detail.

TRUST DEED

Grantor

Beneficiary

After Recording Return to (Name, Address, Zip):

THE KLAMATH TRIBES HOUSING AUTHORITY
 905 Main Street #613
 Klamath Falls, OR 97601

SPACE RESERVED
 FOR
 RECORDER'S USE

STATE OF OREGON,

County of _____ } SS.

I certify that the within instru-
 ment was received for record on the
 _____ day of _____, 19____,
 at _____ o'clock _____ M., and recorded
 in book/reel/volume No. _____ on
 page _____ or as fee/file/instru-
 ment/microfilm/reception No. _____,
 Record of _____ of said County.

Witness my hand and seal of
 County affixed.

NAME

TITLE

By _____, Deputy

96 FEB 20 P3:53

9. At any time and from time to time upon written request of beneficiary, payment of its fees and presentation of this deed and the note for endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may (a) consent to the making of any map or plat of the property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (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 mentioned in this paragraph shall be not less than \$5.

10. Upon any default by grantor hereunder, 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 the property or any part thereof, in its own name sue 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 reasonable attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary may determine.

possession of the 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 and other shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

and other insurance policies or compensation or awards for any taking or damage, shall not constitute a breach of this agreement, nor shall it void, nullify, annul, terminate, rescind, modify, amend, alter, change, vary, waive, discharge, release, exonerate, excuse, defend, protect, indemnify, exonerate, excuse, defend, protect, indemnify, or otherwise affect the obligations of the parties hereunder, and the provisions of this agreement shall survive the termination or expiration of this agreement.

12. Upon default by grantor in payment of any indebtedness secured hereby or in grantor's performance of any agreement hereunder, time being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary may elect to proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other right or remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the trustee shall execute and cause to be recorded a written notice of default and election to sell the property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

13. If the beneficiary does not exercise its power of foreclosure by advertisement and sale, and at any time prior to 5 days before the date the

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided by law.

[illegible][illegible]

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the mortgage records of the county or counties in which the property is located, shall constitute the appointment of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

is not obligated to notify any party hereto of pending sale under any other trust. The grantor is not obligated to notify any party unless such action or proceeding is brought by trustee. The grantor covenants and agrees to and with the beneficiary and the beneficiary's successor in interest that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto. **SUBJECT TO A TRUST DEED RECORDED**
ON 2/20 /96 in Vol M96, page 466, in the Microfilm Records of Klamath County, Oregon
in favor of Klamath First Federal Savings and Loan Association.

and that the grantor will warrant and forever defend the same against all persons whomsoever.

and that the grantor will warrant and forever defend the title to the property described above to the beneficiary named herein. The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are being used for the purpose of financing the purchase of the property described above.

(a)* primarily for grantor's personal, family or household purposes (see Important Notice below); and

(b) for the purchase, construction, reconstruction, improvement, maintenance, repair or refinancing of real property.

~~(c) for the purchase, construction, reconstruction, improvement, maintenance, repair or refinancing of real property.~~

(c) for the purchase, construction, reconstruction, improvement, maintenance, repair or refinancing of real property.

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a beneficiary herein.

It is understood that the grantor, trustee and/or beneficiary may each be more than one person; that

Generally all grammatical changes shall be

In construing this trust deed, it is understood that the grantor, trustee and/or beneficiary may each be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

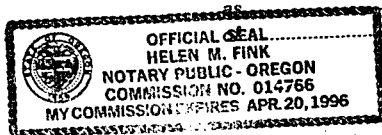
IN WITNESS WHEREOF, the grantor has executed this instrument the day and year first above written.

*** IMPORTANT NOTICE:** Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor as such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary **MUST** comply with the Act and Regulation by making required disclosures; for this purpose use Stevens-Ness Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

STATE OF OREGON, County of KLAMATH) ss.
February 16, 1996

This instrument was acknowledged before me on _____ February _____
by KEVIN CHARLES PELLETIER AND ANNETTE ROXANNE PELLETIER

by KEVIN CHARLES FINE
This instrument was acknowledged before me on _____, 19____
by _____



My commission expires April 20, 1996

REQUEST FOR FULL RECONVEYANCE (To be used only when obligations have been paid.)

TO: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by the 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 the trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by the trust deed (which are delivered to you herewith together with the trust deed) and to reconvey, without warranty, to the parties designated by the terms of the trust deed the estate now held by you under the same. Mail reconveyance and documents to _____

DATED:, 19.....

DATED: _____

Do not lose or destroy this Trust Deed OR THE NOTE which it secures. Both must be delivered to the trustee for cancellation before reconveyance will be made.

Beneficiary

EXHIBIT "A"

The down payment on your home mortgage loan was made possible through the issuance of a grant by The Klamath Tribes Housing Authority. Potential repayment of the Grant would not be imposed until you resell the residence. No repayment will be imposed if you own your home for more than ten years. There will be no interest charged on the Loan.

PROMISSORY NOTE

This Note is made this 16th day of February, 1998, and is incorporated into and shall be deemed to amend and supplement the Mortgage Deed of Trust or Security Deed ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note ("Note") to THE KLAMATH TRIBES HOUSING AUTHORITY** ("Lender") of the same date and covering the property described in the security instrument and located at: (Property Address) 636 South Park Avenue
Chiloquin, OR 97624

Hereinafter referred to as the "Property."

In return for a Grant that I have received (the "Grant"), I promise to pay U.S. TWENTY FIVE THOUSAND AND NO/100ths dollars*** (this amount is called "principal") to the order of the Lender. The Lender is The Klamath Tribes Housing Authority organized and existing under the Klamath Tribal Code Section 12.01. The Lender's address is 905 Main St. Suite 613, Klamath Falls, OR 97601. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder". In addition to the covenants and agreements made in the security instrument, Borrower and Lender further covenant and agree to the following:

Payment

Lender may, to the full extent permitted by applicable law, require immediate payment in full of all sums secured by this security instrument if all or part of the property is sold or otherwise transferred by Borrower to a purchaser or other transferee.

Forgiveness

Provided that Borrower complies with the terms of the Subordinate Security Instrument (described below) and the property is not sold or otherwise transferred, the amounts due and payable under this note shall not become due and payable but shall be forgiven as follows:

The principal amount of the Loan shall be reduced by a percentage of the original principal balance of the Loan for each year of the Loan according to the following.

<u>Percent of Original Principal</u>	<u>Year</u>
2%	1
3%	2
5%	3
7%	4
8%	5
9%	6
12%	7
15%	8
18%	9
21%	10

Such annual reductions shall take effect in arrears on the anniversary date of the Loan. The amount of the Loan due and payable at any time shall be determined after deducting the principal amount of the Loan.

Right to Prepay

Borrower has the right to prepay the principal amount of this Note.

Giving of Notices

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the property address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated above or at a different address if I am given a notice of that different address.

Obligations of Persons Under This Note

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note, is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

Waivers

I and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

Uniform Secured Note

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Subordinate Mortgage, Deed of Trust, or Security Deed (the Subordinate Security Instrument), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in the Note. The Subordinate Security Instrument is and shall be subject and subordinate in all respects to the liens, terms, covenants, and conditions of the First Mortgage. The Subordinate Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note.

WITNESS THE HAND(S) OF THE UNDERSIGNED

Witness:

[Signature]
[Signature]

[Signature]

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 20th day
of Feb A.D., 19 96 at 3:53 o'clock P M., and duly recorded in Vol. M96
of Mortgages on Page 4701

FEE \$25.00

By [Signature] Bernetha G. Letsch, County Clerk