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Vol. 198 Page 40833**TRUST DEED**

VA Form 26-6326c (Home  
Loan) Dec. 1978 Revised Use  
Optional. Section 1810, Title  
38, U.S.C. Acceptable to  
Federal National Mortgage  
Association.  
Amended February, 1982

OREGON

Loan Number: 0435511

VA Loan Number: 484360279126

990

830199094

ATC 05048580

**THIS LOAN IS NOT ASSUMABLE WITHOUT THE APPROVAL OF THE U.S. DEPARTMENT OF VETERANS AFFAIRS OR ITS AUTHORIZED AGENT.**  
**The attached RIDER is made a part of this instrument.**

THIS TRUST DEED, made this 06TH day of NOVEMBER, 1998, between CLYDE C. LAKEY, BARBARA R. LAKEY, as Grantor, FIRST AMERICAN TITLE INSURANCE CO., as Trustee, and CENDANT MORTGAGE CORPORATION, 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:

BEING MORE PARTICULARLY DESCRIBED ACCORDING TO A LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

BEING COMMONLY KNOWN AS: 24713 KOOTENAI, CHILOQUIN, OR 97624

BEING THE SAME PREMISES CONVEYED TO THE MORTGAGORS HEREIN BY DEED BEING RECORDED SIMULTANEOUSLY HERewith; THIS BEING A PURCHASE MONEY MORTGAGE GIVEN TO SECURE THE PURCHASE PRICE OF THE ABOVE DESCRIBED PREMISES.

PREPARED BY:  
TAMARA LLOYD

*Tamara Lloyd*

THIS DOCUMENT IS BEING RE-RECORDED TO ATTACH LEGAL DESCRIPTION.

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which said described real property is not currently being 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 or hereafter 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; and all fixtures now or hereafter attached to or used in connection with said real estate, and in addition thereto the following described household appliances, which are, and shall be deemed to be, fixtures and a part of the realty, and are a portion of the security for the indebtedness herein mentioned:

RANGE/OVEN  
WASHING MACHINE  
VENT FAN

REFRIGERATOR  
DRYER

DISHWASHER  
WOOD STOVE

**ORIGINAL**

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor herein contained and payment of the sum of SEVENTY FIVE THOUSAND ONE HUNDRED NINETY AND 00/100 Dollars (\$75,190.00), 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 thereof, if not sooner paid, to be due and payable on the first day of DECEMBER 01ST, 2028.

1. Privilege is reserved to prepay at any time, without premium or fee, the entire indebtedness or any part thereof not less than the amount of one installment, or one hundred (\$100), whichever is less. Prepayment in full shall be credited on the date received. Partial prepayment, other than on an installment due date, need not be credited until the next following installment due date or thirty days after such prepayment, whichever is earlier.

2. Grantor agrees to pay to Beneficiary as trustee (under the terms of this trust as hereinafter stated) 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) An installment of the ground rents, if any, and of the taxes and special assessments levied or to be levied against the premises covered by this Trust Deed; and an installment of the premium or premiums that will become due and payable to renew the insurance on the premises covered hereby against loss by fire or such other hazard 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. Such installments shall be equal respectively to one-twelfth ( $\frac{1}{12}$ ) of the annual ground rent, if any, plus the estimated premium or premiums for such insurance, and taxes and assessments next due (as estimated by Beneficiary, and of which Grantor is notified) less all installments already paid therefor, divided by the number of months that are to elapse before one month prior to the date when such premium or premiums and taxes and assessments will become delinquent. Beneficiary shall hold such monthly payments in trust to pay such ground rents, premium or premiums, and taxes and special assessments before the same become delinquent.
- (b) The aggregate of the amounts payable pursuant to subparagraph (a) and those payable on the note secured hereby, shall be paid in a single payment each month, to be applied to the following items in the order stated:
  - (I) ground rents, taxes, special assessments, fire and other hazard insurance premiums;
  - (II) interest on the note secured hereby;
  - (III) amortization of the principal of 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 Trust Deed.

3. If the total of the payments made under (a) of paragraph 2 preceding shall exceed the amount of payments actually made by Beneficiary as trustee for ground rents, taxes or assessments, or insurance premiums, as the case may be, such excess may be released, applied on any indebtedness secured hereby, or be credited by Beneficiary as trustee on subsequent payments to be made by Grantor for such items. If, however, such monthly payments shall not be sufficient to pay such items when the same shall become due and payable, then Grantor shall pay to Beneficiary as trustee any amount necessary to make up the deficiency within thirty (30) days after written notice from the Beneficiary, stating the amount of the deficiency, which notice may be given by mail. If at any time Grantor shall tender to Beneficiary, in accordance with the provisions hereof, full payment of the entire indebtedness secured hereby, Beneficiary as trustee shall, in computing the amount of indebtedness, credit to the account of Grantor any credit balance remaining under the provision of (a) of paragraph 2 hereof. If there shall be a default under any of the provisions of this Trust Deed and thereafter a sale of premises in accordance with the provisions hereof, or if Beneficiary acquires the property otherwise after default, Beneficiary as trustee shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the amount then remaining to the credit of Grantor under (a) of paragraph 2 preceding, as a credit on the interest accrued and unpaid and the balance to the principal then remaining unpaid on said note.

4. At Beneficiary's option, Grantor will pay a "late charge" not exceeding four per centum (4%) of any installment when paid more than fifteen (15) days after the due date thereof to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

#### To Protect the Security of this Deed of Trust, Trustor Agrees:

5. To protect, preserve and maintain said property in good condition and repair; not to remove or demolish any building or improvement thereon; not to commit or permit any waste of said property.

6. To complete or restore promptly and in good and 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 to pursue same with reasonable diligence to completion in accordance with plans and specifications satisfactory to Beneficiary, and

(b) to allow Beneficiary to inspect said property at all times during construction. 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. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property.

8. To provide and maintain hazard insurance, of such type or types and amounts as Beneficiary may from time to time require, on the improvements now or hereafter on said premises, and except when payment for all such premiums has heretofore been made under (a) of paragraph 2 hereof, to pay promptly when due any premiums therefor, and to deliver all premiums therefor; and to deliver all policies with loss payable to Beneficiary, which delivery shall constitute an assignment to Beneficiary of all return premiums. 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.

9. To keep said premises free from mechanics' liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said 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 or other charges payable by Grantor, either by direct payment or by providing Beneficiary with funds with which to make such payment, 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 10 and 11 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 payable and constitute a breach of this Trust Deed.

10. 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 and attorney's fees actually incurred.

11. To appear in and defend any action or proceeding purporting to affect the security hereof, the title to said property, or the rights or powers of 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 suit brought by Beneficiary to foreclose this Trust Deed.

12. 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 reasonable costs, fees, and expenses of this Trust.

13. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, may: Make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the property for such purposes; commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge or lien which reasonably appears to be prior or superior hereto, and in exercising any such powers, incur any liability, expend whatever amounts are reasonably necessary therefor, including cost of evidence of title, and reasonable counsel fees.

14. To pay within 30 days after demand all sums properly expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the rate provided for in the principal indebtedness, and the repayment thereof shall be secured hereby.

15. Grantor agrees to do all acts and make all payments required of Grantor and of the owner of said property to make said note and this Trust Deed eligible for guaranty or insurance under the provisions of Chapter 37, Title 38, United States Code, and agree not to do, or cause or suffer to be done, any act which will void such guaranty or insurance during the existence of this Trust Deed.

