

AND, Grantor covenants with Trustee that he is seized of said premises, in fee, that he has the right to convey the same, that the same is free and clear of all encumbrances and restrictions not specifically mentioned herein, and that he does hereby warrant and will forever defend the title of the same against all claims of all persons whomsoever.

THIS DEED OF TRUST, HOWEVER, IS MADE UPON THE TRUSTS and for the uses and purposes following:

That if Grantor shall pay and discharge said obligations and interest on any notes given in renewal of the notes herein, or any notes given as evidence of interest, or any extensions of time of payment of the debt herein secured when the same shall become due and shall pay such sums as shall be necessary to discharge taxes and maintain insurance and repairs and the costs, fees and expenses of making, enforcing, and executing this trust when they shall severally be due and payable, and observe all covenants, conditions and agreements contained in this Deed of Trust, then this conveyance shall become void and be released by the Beneficiary at the cost and expenses of the Grantor, or the title to said premises shall be reverted in Grantor as provided by law; otherwise to be of full force and effect.

But if default shall occur by reason of the failure of Grantor to pay when due and any payment of principal, advances or interest, as required by the terms and provisions of this Deed of Trust or of the Note, or by reason of the failure of Grantor to perform and observe each and every covenant, condition and agreement specified in this Deed of Trust, then and in such event it shall be lawful for and the duty of Trustee, upon the request of Beneficiary, to sell the premises herein described, at public sale, to the highest bidder, for cash, and in one or more parcels, at such place in the County wherein the premises are located as provided by applicable law after first giving notice of the time, place, and terms of such sale as required by law, and upon compliance with all other applicable provisions of the law of the state in which the property is located, and Trustee shall collect the purchase money arising from such sale, and shall convey title to the Purchaser at such sale in fee simple, and out of the proceeds arising from such sale, Trustee shall pay the costs and expenses of advertising and making such sale, all unpaid taxes and assessments, and fees or commissions for selling and conveying the property, including a reasonable commission to Trustee for making such a sale and for all services performed by him hereunder, and a reasonable attorney's fee, and Trustee shall pay Beneficiary so much of the balance of the proceeds as shall be necessary to pay and discharge all principal, advances and interest due Beneficiary under the terms and provisions of this Deed of Trust and the Note, and shall pay the surplus thereafter, if any remain, to those lawfully entitled thereto; and Beneficiary shall have the right to purchase at such sale.

AND GRANTOR FURTHER COVENANTS AND AGREES:

FIRST: That he will pay the indebtedness as hereinbefore provided.

SECOND: That he will pay all taxes and assessments against said property and all water rates and other governmental or municipal charges, fines, or impositions, and that he will promptly deliver the official receipts therefore to the Beneficiary; that he will also pay taxes which may be levied upon the interest of the Beneficiary in the said real estate and improvements, and which may be levied upon this Deed of Trust or the debt secured hereby (but only to the extent that such is not prohibited by law and only to the extent that such will not make this loan insecure) but excluding any income tax, State or Federal, imposed on the Beneficiary, and will file official receipts showing such payment with said Beneficiary. Upon violation of this undertaking to pay said taxes, or if the said Grantor is prohibited by any law now or hereafter existing from paying the whole or any portion of the aforesaid taxes, or upon the rendering of any court decree prohibiting payment by the Grantor of any such tax, or if any such law or decree provides that any amount so paid by the Grantor shall be credited on the indebtedness, the said Beneficiary shall have the right to require the payment of the entire indebtedness, and said note and debt shall become immediately due and payable and collectible, anything in said note or Deed of Trust hereinbefore contained to the contrary notwithstanding.

THIRD: That the holder of the note may add to each monthly payment required hereunder or under the evidence of debt secured hereby an amount not to exceed 1/12 of the aggregate taxes and insurance premiums for the current year, to enable the holder of the note to pay, as they become due, all taxes, assessments, fire and hazard insurance premiums, and similar charges upon the premises subject hereto, which additional amounts the Grantor agrees to pay; any deficiency because of the insufficiency of such additional payments shall be forthwith deposited with the holder of the note upon demand by the holder of the note.

FOURTH: That he will keep the improvements which are now or may hereafter be upon said land unceasingly insured for the benefit of said Beneficiary until said principal debt hereby secured is fully paid, and will keep the policy or policies and renewals thereof, with satisfactory mortgagee clause attached, constantly assigned or pledged and delivered to the said Beneficiary, and will pay all insurance premiums when due, if the premises covered hereby, or any part thereof, shall be damaged by fire or other hazard against which insurance is held, as herein provided, the amounts paid by any insurance company pursuant to the contract of insurance shall, to the extent of the indebtedness then remaining unpaid, be paid to Beneficiary, and its option, may be applied to the debt or released for the repairing or rebuilding of the premises, if the insurance money so collected is applied upon the debt, it may be applied upon the indebtedness last falling due, or in such manner as Beneficiary may desire.

FIFTH: That he will protect the improvements upon said property by proper repairs and maintain them in good repair and condition, and will not do, permit, or suffer any act or thing whatsoever whereby the security herein conveyed might or could be impaired.

SIXTH: That he will pay such expenses and fees as may become necessary or be incurred in the protection of the property and the maintenance and execution of this trust.

SEVENTH: That the Beneficiary may, at its discretion, advance and pay such sums as may be proper to satisfy taxes or any prior lien on said premises, maintain insurance and repairs, protect and preserve the property, and such amounts as paid, shall, at the option of the Beneficiary, become part of the principal debt, be a lien on said property, shall bear interest at the rate specified in the note hereby secured, and be secured and collectible hereby, without waiver of any right arising from the breach of any covenants or agreements herein contained.

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