

OC

44452**TRUST DEED****Vol. M84****Page 21507**

X-37464
THIS TRUST DEED, made this 7th day of December, 1984, between
FRANK MICHAEL SCHLOTTMANN, SR. and **CATHERINE M. SCHLOTTMANN**

as **Grantor**, **KLAMATH COUNTY TITLE COMPANY**, as **Trustee**, and

PERDRIAU INVESTMENT CORP., A California 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:

SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 32, Township 35 South, Range 11 East of the Willamette Meridian, 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 said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of **EIGHT THOUSAND NINE HUNDRED AND NO/100s -----**

*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 it not sooner paid, to be due and payable **September 22** 19 97.*

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note becomes due and payable. In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the grantor without first having obtained 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 become immediately due and payable.

The above described real property is not currently used for agricultural, timber or grazing purposes.

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

1. 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 or damage to the property.

2. To complete, repair, paint 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 therewith.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property, if the beneficiary so requests, 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 said premises against fire, damage by fire and such other hazards as the beneficiary may from time to time require, in an amount not less than **full insurable value.**

5. To provide and continuously maintain insurance on the buildings now or hereafter erected on the said premises against liability to third parties for personal injuries and property damage, in amounts acceptable to the beneficiary, with loss payable to the beneficiary, and policies of insurance shall fail for any reason to protect any such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any liability or other insurance policy may be applied to beneficiary upon any indebtedness secured hereby and in such order as grantor 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, however, if such default is uncorrected and not done in accordance with such notice.

6. To keep said premises free from construction 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 docket and pay the same 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 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 4 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 a breach of any of the covenants herein and for any 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 with no 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.

7. 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 entering this obligation and trustees' and attorneys' fees actually incurred.

8. To appear in and defend any action or proceeding, preparing 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 attorney's fees, less fees to be paid by the trial court and in the event of appeal from any judgment or decree of the trial court, further agrees to pay such sum as the appellate court shall allow reasonable as the beneficiary or trustee's attorney fees in such appeal.

It is mutually agreed that:

9. In the event that any portion of all buildings or property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, if it so desires, to require that all or any portion of the monies payable as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees both in the trial and appellate courts necessarily paid or incurred by beneficiary in such proceedings, and the balance applied toward the indebtedness secured hereby, and grantor agrees that it will endeavor to take such actions and execute such instruments as shall be necessary in obtaining such compensation, prompt, upon demand, 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 recoverances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may

NOTE: The Trust Deed Act provides that the trustee/beneficiary must be either an attorney, who is an active member of the Oregon State Bar, or a trust company, the First National Bank of Klamath Falls, or the Bank of Klamath Falls, or savings and loan association authorized to do business under the laws of Oregon, or any other corporation, or on active duty members under 60% or less to 60% of the property of this state, its subsidiaries, all states, agents or branches, the United States or any agency thereof, or on active duty members under 60% or less to 60%

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The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto

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

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:
 (a) primarily for grantor's personal, family, household or agricultural purposes (see Important Notice below),
 (b) for an organization; or (even if grantor is a natural person) for business or commercial purposes other than agricultural purposes.

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. In construing this deed and whenever the context so requires, the masculine gender includes the feminine and the neuter, and the singular number includes the plural.

IN WITNESS WHEREOF, said grantor has hereunto set his hand 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, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Nass Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, or is not to finance the purchase of a dwelling use Stevens-Nass Form No. 1306, or equivalent. If compliance with the Act is not required, disregard this notice.

(If the signer of the above is a corporation, use the form of acknowledgment corporate.)

STATE OF ~~MISSOURI~~ California,

County of Santa Barbara) ss.

December 14, 1984. 19 84 .

Personally appeared the above named

Frank Michael Schlottmann Sr
and Catherine M. Schlottmann

: and acknowledged the foregoing instrument
to be their voluntary act and deed.
Before me:

(OFFICIAL
SEAL)

Shawn Starkey
Notary Public for Oregon
CAURAMP

My commission expires: 10/3/1988

STATE OF OREGON, County of

) ss.

Personally appeared

duly sworn, did say that the former is the
president and that the latter is the
secretary of

a corporation, and that the seal affixed to the foregoing instrument is the
corporate seal of said corporation and that the instrument was signed and
sealed in behalf of said corporation by authority of its board of directors,
and each of them acknowledged said instrument to be its voluntary act
and deed.
Before me:

Notary Public for Oregon

My commission expires.

(OFFICIAL
SEAL)

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

, 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. Mail reconveyance and documents to

DATED:

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Beneficiary

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.

TRUST DEED

(FORM NO. 881)

STEVENS-NASS LAW FIRM CO., PORTLAND, ORE.

Grantor

SPACE RESERVED
FOR
RECORDER'S USE

Beneficiary

AFTER RECORDING RETURN TO

Perdriau Investment Corp.
3300 Anderson
Klamath Falls, OR 97603

Fee: \$9.00

STATE OF OREGON,
County of Klamath } ss.

I certify that the within instrument
was received for record on the 28th day
of December, 19 84,
at 11:03 o'clock A.M., and recorded
in book/reel/volume No. M84
on page 21507, or as file/instrument/
microfilm/reception No. 44452,
Record of Mortgages of said County.

Witness my hand and seal of
County affixed.

Evelyn Biehn, County Clerk

NAME _____
By *Pete Smith* Deputy
TITLE _____