

47224

EGG: K-37650
TRUST DEED

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THIS TRUST DEED, made this 26th day of March, 1985, between
SUNRISE TOWING, a partnership consisting of Ernest E. Bachman and
Michael Bachman
as Grantor, William P. Brandsness
South Valley State Bank
as Beneficiary, _____, as Trustee, and

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

Lots 33A and 33B in Block 6 of Railroad Addition to the City of Klamath Falls, 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 now or hereafter appertaining, and the rents, issues and profits thereof, together with possession and enjoyment with said real estate

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of Thirty-Eight Thousand and No/100--

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 March 15, 1990. Dollars, with interest thereon according to the terms of a promissory 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 instrument, the undersigned hereby covenants and agrees that the above described real property shall not be used for any purpose other than agricultural, timber or grazing purposes.

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

1. To protect the security of this trust deed, grantor agrees:
and repair; not to remove or demolish any building or improvement thereon;
not to commit or permit any waste of said property.

To complete or restore property in good condition or improve thereof.

To demolish any building or improvement thereon or to commit or permit any work to be done on such building or improvement which may result in its destruction thereof.

To comply with any laws, ordinances, regulations, covenants, conditions and restrictions affecting said property or to join in enforcing such financing statements if the beneficiary so requests.

To perform public office or carry out any duties as a member of the Uniformed Services of the Sea Officers' Association, Inc., or to pay the same in full.

To search for and recover any lost or stolen property belonging to the beneficiary or to pay the cost of all legal expenses incurred by the beneficiary in connection therewith.

act done pursuant to such notice.

5. To keep said premises free from construction liens and to pay a against said property before any other charges that may be levied or assessed upon or against said property, the obligations of the grantor, including but not limited to, charges become past due or delinquent and promptly deliver assessments and other monies, insurance premiums, liens or make payment of any taxes, assessments or by providing the beneficiary with funds with which to pay the same, beneficiary may, at its option, make payment with and to the hereby, together with, with interest at the option, make payment with and to the and, together with, the obligations described in the set forth in the note secured by 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 all payments arising from breach of any of the terms hereinbefore described, as well as the grantor, shall be bound to the extent that they are bound to the grantor, shall be bound to the the obligations and all such payments shall be the payment of the obligation described herein and the nonpayment thereof shall be immediately due and payable without the constitute a breach secured by this trust deed, at the option of the beneficiary.

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 trust in connection with or in enforcing this deed.

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 enforcement of this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's costs and expenses, amount of attorney's fees mentioned in this paragraph 7, of attorney's fees; the cost of the trial court and in the event of an appeal from any judgment or ruling of the trial court, grant to either agrees to pay such amount as the appellate court shall adjudge reasonable; and to pay such amount as the appellate court shall adjudge reasonable.

It is mutually advantageous

It is mutually agreed that:

8. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, if it so elects, to require that all or any portion of the moneys payable as compensation for such taking which are in excess of the amount actually incurred by grantor in such proceedings and attorney's fees necessarily required applied by it upon any reasonable costs and shall be paid to beneficiary; and beneficiary in such proceedings, necessarily expenses and attorney's fees incurred hereby; and grantor, and the balance applied upon or incurred by beneficiary to secure such instruments as may be necessary in the interest of indemnification, promptly upon beneficiary's request.

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.

(a) consent to the making of any map or plat of said 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 of the mortgage thereon; (d) remove, without warranty, all or any part of the property. The grantee in any conveyance 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 \$100.00 per hour or time.

[illegible]

11. The entering upon and taking possession of said 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 aforesaid, shall not cure or waive any default or notice of default hereunder or otherwise, and shall not be pursuant to such notice.

12. Upon default by Grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable. In such event the beneficiary at his election may produce and foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed advertisement and sale. If or direct the trustee to foreclose this trust deed advertisement and cause to be recorded after event the beneficiary or trustee shall sell or dispose of the real property subject to the obligations secured hereby, whereupon the trustee shall fix the time and manner of sale, give notice thereof as then required by law, and proceed to foreclose the obligations secured hereby in the manner provided in ORS §§67.010 through 67.020.

13. Should the beneficiary elect to foreclose by advertisement and sale of the trust property, the grantor or his successor in interest, if the beneficiary or his successor is not the trustee, shall be deemed to have authorized the trustee to execute and file a notice of sale in the manner provided in ORS 86.760 and to foreclose this trust deed in then after default at any time prior to live days before the date set by the trustee for the trustee's sale, the grantor or his successor shall be deemed to have authorized the trustee to execute and file a notice of sale in the manner provided in ORS 86.760, may pay to the beneficiary or his successor so privileged by obligation secured thereby (including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees in principal as would then be due had no default occurred) more than such portion of the principal as would then be due had no default occurred.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which said sale may be postponed as provided by law. The trustee may sell said sale may auction one or more parcels or in separate parcels and shall sell the parcel or parcels at the highest bidder for cash payable at the time of sale. The trustee shall deliver to the purchaser its deed in return for the purchase price applied to the property so sold, but without any covenant warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof by any person, excluding the grantor and the grantor and beneficiary, under any circumstances.

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee's attorney, (2) to the obligation secured by a reasonable charge by trustee's having recorded liens subsequent to the interest of the trustee in, (3) all persons deed as their interests may appear in the order of sale of the trust in the surplus, if any, to the persons entitled to the proceeds of sale.

16. For any reason permitted by law beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any conveyance to the successor trustee. Upon such appointment the powers and duties conferred upon any trustee shall be vested with all hereunder. Each such appointment and substitution shall be in writing and shall be executed by beneficiary, containing reference to the name of the person or persons named or appointed as successor or successors, and shall be filed in the office of the Clerk or Recorder of the county or counties in which the property is situated. Such appointment and substitution shall be conclusive proof of proper appointment of the successor or successors.

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.

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 696.508.

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) are 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-Ness 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-Ness 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 opposite.)

STATE OF OREGON,) ss.

County of Klamath

March 27, 19 85

Personally appeared the above named

Ernest E. Bachman & Michael L. Bachman

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

Before me:

(OFFICIAL SEAL)

Terrie L. Stockton
Notary Public for Oregon

My commission expires: 3-14-87

STATE OF OREGON, County of _____) ss.

Personally appeared _____, 19 _____ and _____

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.

TO: _____, 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 _____, 19 _____

DATED: _____

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-NESS LAW PUB. CO., PORTLAND, ORE.

Grantor

Beneficiary

AFTER RECORDING RETURN TO

SOUTH VALLEY STATE BANK
P.O. BOX 5210
KLAMATH FALLS, OREGON 97601

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,) ss.
County of Klamath

I certify that the within instrument was received for record on the 28th day of March, 19 85, at 10:26 o'clock A.M., and recorded in book/reel/volume No. 185 on page 4500 or as fee/file/instrument/microfilm/reception No. 47224. Record of Mortgages of said County. Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

By Pam Smith Deputy

Fee: \$9.00