

57256

TRUST DEED

Vol. M86 Page 756

With rights to future advances and renewals
THIS TRUST DEED, made this 9TH day of JANUARY, 19 86, between

Frank B. Chase, an unmarried man
as Grantor,
WILLIAM P. BRANDSNESS
SOUTH VALLEY STATE BANK
as Trustee, and
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:

*SEE EXHIBIT I BY THIS REFERENCE MADE A PART HEREOF.

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 THIRTY THOUSAND AND NO/100

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 to be not sooner paid to be due and payable MARCH 15, 19 91 with rights to renewals and future advances.

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 improvements thereon not to convert or permit any use of said property.

2. To complete or restore promptly and in good and workmanlike manner any building or improvement which may be considered 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 said 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 all lien searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.

4. To provide and maintain maintain insurance on the buildings now or hereafter erected on the said premises against fire or damage by fire and each other hazards as to the said premises from time to time required in an amount not less than \$30,000.00.

5. To keep and maintain the beneficiary with loss payable in the latter all policies of insurance shall be delivered to the beneficiary as soon as insured if the grantor shall fail for any reason to procure 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 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.

6. To keep and maintain the beneficiary with loss payable in the latter all taxes, assessments and other charges that may be levied or assessed upon or against said property hereby are part of such taxes, assessments and other charges become past due or delinquent and principal deliver receipts therefor to beneficiary should the grantor fail to make payment of any taxes, assessments, insurance premiums, loans 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 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 herein and for such payments, with interest as aforesaid, the property hereby 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 out 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 enforcing this obligation and trustee's and attorney's fees actually incurred.

8. 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 attorney's fees the amount of attorney's fees mentioned in this paragraph 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 attorney's fees on such appeal.

It is mutually agreed that

9. 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 to a pro rata share of the proceeds of 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 the grantor in such proceedings shall be paid to beneficiary and applied by it to pay upon any indebtedness and expenses and attorney's fees then on the trial and appellate courts necessarily paid or incurred by beneficiary in such proceedings and the balance applied upon the indebtedness secured hereby and grantor agrees at its own expense to take such actions and execute such instruments as shall be necessary in obtaining such compensation promptly upon beneficiary's request.

10. At any time and from time to time upon written request of beneficiary payment of all taxes and assessments on this deed and the note for endorsement in case of full reconveyance for cancellation, without affecting the liability of any person for the payment of the indebtedness trustee may

11. consent to the making of any map or plat of said property, by join in granting any easement or creating any restriction thereon, or join in any subordination or other agreement affecting this deed or the lien or charge thereon, (d) reconvey, without warranty, all or any part of the property. The grantor in any reconveyance may be described as the person or persons legally entitled therein 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.

12. 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 said 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.

13. The entering upon and taking possession of said property the collection of such rents, issues and profits or the proceeds of said rents 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 invalidate any act done pursuant to such notice.

14. Upon default by grantor in payment of any indebtedness secured hereby or on his performance of any agreement hereunder the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage or deed of trust or to foreclose the trust deed by advertisement and sale. In the latter event the beneficiary or the trustee shall execute and cause to be recorded his written notice of default and his election to sell the said described real property to satisfy the obligations 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 86.740 to 86.795.

15. Should the beneficiary elect to foreclose by advertisement and sale then after default at any time prior to five days before the date set by the trustee for the trustee's sale the grantor or other person authorized by ORS 86.760 may pay to the beneficiary or his successors in interest respectively the entire amount then due under the terms of the trust deed and the obligations secured thereby including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding the amounts provided by law, other than such portion of the principal as would not then be due had no default occurred and thereby cure the default in which event all foreclosure proceedings shall be dismissed by the trustee.

16. 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 property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold but without any covenant or warranty express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person excluding the trustee but including the grantor and beneficiary may purchase at the sale.

17. 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 obligations secured by the trust deed (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

18. 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 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 containing reference to this trust deed and its place of record which when recorded in the office of the County Clerk or Recorder of the county in which the property is situated shall be conclusive proof of proper appointment of the successor trustee.

19. 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.

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, or a subsidiary of any such agency, or a broker of the United States or any agency thereof, or an escrow agent licensed under ORS 906.505 to 906.585.

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) for the purchase of real property, or (b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes other than agricultural purposes. (See Important Notice below)

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

Frank B. Chase

* 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,

County of Klamath

January 10,

19 86

Personally appeared the above named

Frank B. Chase

STATE OF OREGON, County of

19

Personally appeared

and who, each being first

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)

acknowledged the foregoing instrument as voluntary act and deed

Before me

Notary Public for Oregon

My commission expires

4-17-89

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid

Trustee

TO: 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

19

Beneficiary

TRUST DEED
(FORM No. 681)

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

FRANK B. CHASE

Grantor

SOUTH VALLEY STATE BANK

Beneficiary

AFTER RECORDING RETURN TO

SOUTH VALLEY STATE BANK
5215 SOUTH SIXTH ST.
KLAMATH FALLS, ORE 97603

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,
County of

I certify that the within instrument was received for record on the day of at o'clock M., and recorded in book/reel/volume No. on page or as fee/file/instrument/microfilm/reception No.

Record of Mortgages of said County

Witness my hand and seal of County attized.

NAME

TITLE

By

Deputy

Attachment to deed of trust dated January 9, 1986
executed by Frank B. Chase, grantor to South Valley State Bank, beneficiary.

EXHIBIT I

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Situated in the County of Klamath and State of Oregon, described as follows, to-wit:

The East 180 feet of the following described property:

Beginning at a point on the Northerly right of way line of the Dalles-California Highway, also known as South Sixth Street, which lies North 0°55' West 30 feet and North 89°21' East 602.4 feet along said right of way line from the center of Section 2, Township 39 South, Range 9 E.W.M., which said point of beginning is the Southeast corner of property described in Deed Volume 258, page 258, records of Klamath County, Oregon; thence continuing North 89°21' East along said Northerly right of way line a distance of 386.4 feet, more or less, to the Southwest corner of property described in Deed Volume 149, page 497, records of Klamath County, Oregon; thence North 0°46' West along said West line a distance of 189.4 feet, more or less, to the Southerly boundary of Pleasant Home Tracts, No. 2; thence South 89°21' West along the Southerly boundary of Pleasant Home Tracts No. 2, a distance of 386.4 feet, more or less, to the Northeast corner of property described in Deed Volume 258, page 258; thence South 0°59' East along the East line of said property a distance of 189.41 feet, more or less, to the point of beginning, being a portion of the SW¼NE¼ of Section 2, Township 39 South, Range 9 E.W.M., Klamath County, Oregon.

SAVING AND EXCEPTING therefrom that portion conveyed to State of Oregon by and through its State Highway Commission by deed recorded December 23, 1965, as Document No. 2833, M65 Page 4933 of the Microfilm records of Klamath County, Oregon.

Joe

STATE OF OREGON COUNTY OF KLAMATH ss

Filed for record at request of _____
of January A.D. 19 86 at 3:49 o'clock P. M. and duly recorded in Vol. 496
of Northpage on Page 756

FEE

311.00

By Evelyn Biehn,

County Clerk

Pam Smith