

Vol. 1486 Page 16053

OC 65644

24th day of June

THIS TRUST DEED, made this _____ day, 19____
 RICHARD A. DAVIS and ELEANOR DAVIS, husband and wife.

as Grantor, RAY A. BABB, attorney at law

grantor, RAY A. BABE, attorney
ROBERT J. KAYL, Trustee of the C & K PETROLEUM EQUIPMENT CO., PROFIT SHARING TRUST

WITNESSETH:

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

Lots 1, 2 and 3 in Block 5 of Chemult, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon

15025 DEED

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

sum of Five Thousand Two Hundred Eighty Four and 80/100 Dollars, with interest thereon according to the terms of a promissory note of the same date and tenor as this note, and made by grantor, the final payment of principal and interest hereof, if

not sooner paid, to be due and payable March 12 1996

note of even date herewith, payable to March 12, 1996,
not sooner paid, to be due and payable on or before 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 of said property;

2. To complete or restore promptly and in good, and workmanlike manner any building or improvement which may be constructed, damaged or destroyed, and pay when due all costs incurred therefor.

3. comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary is a partnership or joint venture, the Uniform Commercial Code as the beneficiary may require and to pay for all filing same in the public office as the beneficiary may require and to pay for 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 loss or damage by fire, theft and such other risks as the beneficiary may from time to time require, in an amount not less than \$_____ turn **insurable** payable to the latter; and the companies acceptable to the beneficiary, with loss payable as soon as insured policies of insurance shall be delivered to procure any such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of the term 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 or policies applied by beneficiary upon any indebtedness secured by the beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release, or non cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

not cure or waive any such notice.

5. 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 real property before any part of such taxes, assessments and other charges become past due or delinquent and prompt to deliver receipts therefor 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 tendering beneficiary with funds with which to make such payment, the 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 agreement, shall be added to and become a part of the debt secured by this deed, without waiver of any rights arising from the breach of any of the covenants herein contained, and with interest as aforesaid, the proponents hereof and for such payments, with interest as aforesaid, the proponents herebefore described, as well as the grantor, shall be bound to the entirety herebefore described, and the payment of the obligation herein same extent that they are bound to the immediately due and payable withdescribed, 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 deed dead immediately due and payable and bear interest from the date of such default.

6. The beneficiaries of this trust deed, including the cost

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 trustee incurred in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred.

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 foreclosure of the mortgage, to pay all costs and expenses, including the fees of the attorney for the beneficiary or trustee, that may be incurred by the beneficiary or trustee in the event of a judgment or decree of the trial court, and in the event of an appeal, from any judgment or decree of the trial court, and to further agree 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:

It is mutually agreed that:

If, 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 the portion or any portion of the monies payable therefor, in excess of the reasonable costs, expenses and attorney's fees incurred by grantor in such proceedings, shall be paid to beneficiary and not to grantor. If beneficiary elects to have the costs and expenses and attorney's fees, applied by it first upon any such proceedings, necessarily paid or incurred by beneficiary in the trial and appellate courts, necessarily paid or incurred by beneficiary in the trial proceedings, and the balance, applied upon the costs, expenses and attorney's fees, necessarily incurred by it to take such actions secured hereby; and grantor agrees, at its request, to execute such instruments as may be necessary in obtaining such compensation for beneficiary's fees.

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, trustee may

(c) consent to the making of any map or plat of said property; (d) join in any granting any easement or creating any restriction thereon; (e) join in any subordination or other agreement affecting the fee or the lien or charge upon the property; (f) convey, without warranty, all or any part of the property. The foregoing (d) conveyance may be described as the "person or persons" referred to in the recitals thereto, and the recitals therein of any minutes or facts or matters may be taken as conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall not exceed \$5.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person, or by agent or by advertisement, as directed by a court, and secured, enter upon and take possession of said property, together with all the interest therein, and use and apply the same to the issues and profits, including those past due and to be collected, including reasonable attorney's fees and expenses of collection and of such order as the beneficiary may determine.

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 invalidate any act done pursuant to such notice.

waive any default or notice of default hereunder. 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 option may proceed to foreclose this trust deed in equity as a first lien on the property and proceed to foreclose this trust deed in equity as a first lien on the property and proceed to foreclose this trust deed in equity as a first lien on the property and proceed to foreclose this trust deed in equity as a first lien on the property and sale. In the latter event the beneficiary or the trustee may execute and cause to be recorded his written notice of election to foreclose and to sell the said described real property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof to the parties required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

13. Alter the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.735, may cure the default or defaults. If the cure consists of a failure to pay, when due, the sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as is not then due but had no default occurred. Any or all performance required under the being cured may be cured by tendering the sum in addition to curing the default or obligation, or, trust deed, in addition to curing the default or obligation or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses incurred in enforcing the obligation of the trust deed and the trustee's with trustee's and attorney's fees not exceeding the amounts provided by law.

[illegible]

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 the reasonable legal charge by trustee's attorney, (2) to the obligation of the trust deed, (3) to all persons having recorded liens superior to the interest of the trustee in the trust having recorded liens may appear in the order of their priority and (4) the deed as his interests may appear in the order of their priority and (5) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

16. 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 under, the latter shall be vested with all title, powers and duties conferred or upon any trustee herein named or appointed hereunder. No such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of a successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged, 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, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.585.

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.
A default on this Trust Deed will be construed as a default on the Security Agreement dated June 24, 1986, wherein Richard A. Davis and Eleanor Davis are the debtors, and Robert J. Kayl, Trustee of the C&K Petroleum Equipment Co. Profit Sharing Trust is the secured party.

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.

NOT APPLICABLE

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.

Richard A. Davis
Richard A. Davis

Eleanor Davis
Eleanor Davis

* 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 Deschutes } ss.
June 24, 1986

Personally appeared the above named
Richard A. Davis and Eleanor
Davis, husband and wife,

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

(OFFICIAL SEAL)

Before me,
Ray A. Babb
Notary Public for Oregon

My commission expires: 12/12/89

STATE OF OREGON, County of _____, ss.
19____

Personally appeared _____, and
duly sworn, did say that the former is the _____ who, each being first
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 _____

DATED:

June 24, 1986

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.

Richard A. Davis and

Eleanor Davis

Ray A. Babb

Grantor

Beneficiary

AFTER RECORDING RETURN TO

JAMES A. PEARSON
Attorney at Law
100 Lawrence Street
Eugene, Ore. 97401

STATE OF OREGON,

County of Klamath } ss.

I certify that the within instrument was received for record on the 5th day of September, 1986, at 3:01 o'clock P.M., and recorded in book/reel/volume No. M86 on page 16053 or as fee/file/instrument/microfilm/reception No. 65644. Record of Mortgages of said County. Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

NAME

By _____ Deputy

Fee: (\$9.00)

TRUST DEED