

ATC 30220

Klamath Falls Oregon  
 Grantor(s): R. Benjamin Kerns aka  
Robert Benjamin Kerns  
 Borrower(s): Jeannette F. Kerns  
Robert Benjamin Kerns  
Jeannette F. Kerns  
 Beneficiary/("Lender"): U.S. National Bank of Oregon  
Klamath Falls Branch  
 Trustee: Bank of Corvallis

Date: August 29, 1986

Address: 2044 Earle St.  
Klamath Falls, OR 97601  
 Address: 2044 Earle St.  
Klamath Falls, OR 97601  
 Address: 740 Main St.  
Klamath Falls, OR 97601  
 Address: PO Box 3347  
Portland, OR 97208

1. GRANT OF DEED OF TRUST. By signing below as Grantor, I irrevocably grant, bargain, sell and convey to Trustee, in trust, with power of sale, the following property located in Klamath County, State of Oregon:

Lots 7 and 8, block 44, Hillside Addition to the City of Klamath Falls, in the County of Klamath, State of Oregon.

KYATAM BYT2 05 03001  
 E O BOX 188

and all buildings and other improvements and fixtures now or later located on it. I also hereby assign to Lender any existing and future leases and rents from the property as additional security for the debt described below. I agree that I will be legally bound by all the terms stated in this Deed of Trust. The above described real property is not currently used for agricultural, timber or grazing purposes.

2. DEBT SECURED. This Deed of Trust and assignment of rents secures the following:

☒ a. The payment of the principal, interest, credit report fees, late charges, collection costs, attorneys' fees (including any on appeals), and other amounts owing under a note ("Note") with an original principal amount of \$ 10,000.00, dated August 29, 19 86, signed by Robert Benjamin Kerns and Jeannette F. Kerns (Borrower) and payable to Lender, on which the last payment is due September 5, 19 91

and under any extensions and renewals of any length.

☐ b. The payment of all amounts that are payable to Lender at any time under a \_\_\_\_\_ ("Credit Agreement")

dated \_\_\_\_\_ and signed by \_\_\_\_\_ ("Borrower"). The Credit Agreement is for a revolving line of credit under which Borrower may obtain one or more loans from Lender on one or more occasions, the total outstanding balances of which may not at any time exceed \$ \_\_\_\_\_. The total outstanding balance owing under the Credit Agreement, if not sooner paid, is due and payable on \_\_\_\_\_. This Deed of Trust secures the performance of the Credit Agreement, the payment of all loans payable to Lender at any time under the Credit Agreement, the payment of all interest, credit report fees, late charges, membership fees, attorneys' fees (including any on appeal), collection costs and all other amounts that are payable to Lender at any time under the Credit Agreement, and any extensions and renewals of any length.

☒ c. This Deed of Trust also secures the payment of all other sums with interest thereon, advanced under this Deed of Trust to protect the security of this Deed of Trust; and the performance of any covenants and agreements under this Deed of Trust. This Deed of Trust also secures the repayment of any future advances, with interest thereon, made to Borrower under this Deed of Trust.

The interest rate, payment terms and balance due under the Note and under the Credit Agreement may be indexed, adjusted, renewed or renegotiated in accordance with the terms of the Note, the Credit Agreement and on account of any extensions and renewals of the Note and Credit Agreement.

### 3. INSURANCE, LIENS, AND UPKEEP.

3.1 I will keep the property insured by companies acceptable to you with fire and theft insurance, flood insurance if the property is located in any area which is, or hereafter will be designated a special flood hazard area, and extended coverage insurance

The policy amount will be enough to pay the entire amount owing on the debt secured by this Deed of Trust or the insurable value of the property, whichever is less, despite any "co-insurance" or similar provision in the policy. The insurance policies will have your standard loss payable endorsement. No one but you has a mortgage or lien on the property, except the following "Permitted Lien(s)":

3.2 I will pay taxes and any debts that might become a lien on the property, and will keep it free of trust deeds, mortgages and liens other than yours and the Permitted Liens just described.

3.3 I will also keep the property in good condition and repair and will prevent the removal of any of the improvements.

3.4 If any of these things agreed to in this Section 3 are not done, you may do them and add the cost to the Note or Credit Agreement. I will pay the cost of your doing these whenever you ask, with interest at the fixed or floating rate charged under the Note or the Credit Agreement, whichever is higher. Even if you do these things, my failure to do them will be a default under Section 6, and you may still use other rights you have for the default.

4. DUE-ON-SALE: I agree that you may, at your option, declare due and payable all sums secured by this Deed of Trust if all or any part of the property, or an interest in the property, is sold or transferred. If you exercise the option to accelerate I know that you may use any default remedies permitted under this Deed of Trust and applicable law. I know that you may exercise your rights under this due-on-sale provision each time all or any part of the property, or an interest in the property, is sold or transferred, whether or not you exercised your rights on any previous sales or transfers.

5. PROTECTING YOUR INTEREST: I will do anything that may now or later be necessary to perfect and preserve this Deed of Trust, and I will pay all recording fees and other fees and costs involved.

### 6. DEFAULT. It will be a default:

- 6.1 If you don't receive any payment on the debt secured by this Deed of Trust when it is due;  
 6.2 If I fail to keep any agreement I have made in this Deed of Trust, or there is a default under any security agreement, trust deed, mortgage, or other security documents that secures any part of the debt secured by this Deed of Trust.  
 6.3 If any Co-Borrower, Grantor or I become insolvent or bankrupt;  
 6.4 If I have given you a false financial statement, or if I haven't told you the truth about my financial situation, about the security, or about my use of the money;  
 6.5 If any creditor tries, by legal process, to take money from any bank account, any Co-Borrower, Grantor or I may have, or tries, by legal process, to take any other money or property I may then have coming from you;  
 6.6 If any person tries or threatens to foreclose or declare a forfeiture on the property under any land sale contract; or to foreclose any Permitted Lien or other lien on the property;  
 6.7 If there is any default under any lease or sublease of the property to which I am a party or through which I derive any interest in the property.

7. YOUR RIGHTS AFTER DEFAULT. After a default you will have the following rights and may use any one, or any combination of them, at any time.

- 7.1 You may declare the entire secured debt immediately due and payable all at once without notice.  
 7.2 Subject to any limitations imposed by applicable law, either before or after a sale of the property under a judicial foreclosure, or before a sale of the property by advertisement and sale by the Trustee, you may sue for and recover from Borrower all amounts remaining under the Credit Agreement, under the Note, and under this Deed of Trust.  
 7.3 You may foreclose this Deed of Trust under applicable law either

judicially by suit in equity or nonjudicially by advertisement and sale. You may have any rents from the property collected and pay the amount received, over and above costs of collection and other lawful expenses, on the debt secured by this Deed of Trust.

7.5 I will be liable for all reasonable collection costs you incur, to the full extent allowed by law. If you foreclose this Deed of Trust either judicially by suit in equity or nonjudicially by advertisement and sale, I will also be liable for your reasonable attorneys' fees including any on appeal.

7.6 You may use any other rights you have under the law, this Deed of Trust, or other agreements.

8. SATISFACTION OF DEED OF TRUST: When the secured debt is completely paid off and the credit agreement is cancelled and terminated as to any future loans, I understand that the Lender will request Trustee to reconvey, without warranty, the property to the person legally entitled thereto. I will pay the Trustee a reasonable fee for preparation and execution of the reconveyance instrument and I will record the reconveyance at my expense.

- 9. CHANGE OF ADDRESS. I will give you my new address in writing whenever I move. You may give me any notices by regular mail at the last address I have given you.
- 10. OREGON LAW APPLIES. This Deed of Trust will be governed by Oregon law.
- 11. NAMES OF PARTIES. In this Deed of Trust "I" means Grantor(s), and "you" means Beneficiary/Lender.

I agree to all the terms of this Deed of Trust.

Grantor: Evelyn Kerna  
Grantor: Jeannette F. Kerna

STATE OF OREGON  
County of Klamath

INDIVIDUAL ACKNOWLEDGEMENT

Personally appeared the above named ROBERT BENJAMIN KERNS AND JEANNETTE F. KERNS and acknowledged the foregoing Deed of Trust to be THEIR voluntary act.

Before me: Marilyn Weatherly  
Notary Public for Oregon  
My commission expires: 9-25-88

REQUEST FOR RECONVEYANCE

The undersigned is the holder of the Note and/or Credit Agreement secured by this Deed of Trust. The entire obligation evidenced by the Note and/or the Credit Agreement, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel the Note and/or the Credit Agreement and this Deed of Trust, which are delivered hereby, and to reconvey, without warranty, all the estate now held by you under the Deed of Trust to the person or persons legally entitled thereto.

Date: August 29, 1986 Signature: \_\_\_\_\_

DEED OF TRUST

THIS SPACE FOR RECORDER USE

U S NATL BANK OF OR  
P O BOX 789  
KLAMATH FALLS OR 97601

After recording, return to:

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of September A.D. 19 86 at 3:36 o'clock P. M., and duly recorded in Vol. M86 of Mortgages on Page 16271

FEE \$9.00

Evelyn Biehn, County Clerk  
By Ann Smith

ROBERT BENJAMIN KERNS  
JEANNETTE F. KERNS