

KEVIN L. H. 80204
25TH 2001H CIVIL DEED
2001H THIS TRUST DEED

TRUST DEED

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18204

THIS TRUST DEED made this 24TH day of SEPTEMBER, 19 87, between

as Grantor, WILLIAM P. BRANDNESS, as Trustee, and

as Beneficiary, SOUTH VALLEY STATE BANK

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

SEE ATTACHED EXHIBIT "A"

TRUST DEED

DO NOT SIGN BEYOND THIS LINE OR THE TRUST DEED WILL BE VOID. ANY SIGNATURE BEYOND THIS LINE WILL BE VOID.

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 TWO HUNDRED FIFTY 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 hereof, if not sooner paid, to be due and payable, SEPTEMBER 25, 1997.

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 convert, permit any waste of said property.

2. To complete, repair, promptly 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 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 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 loss or damage by fire and such other hazards as the beneficiary may from time to time require, in an amount not less than \$-----, written in policies acceptable to the beneficiary, with said policies to be delivered to the beneficiary as soon as insured, and if the grantor shall fail for any reason to procure any such insurance and 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 the option of beneficiary the entire amount so collected, or any part thereof, may be delivered 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.

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 property, before any part of such taxes, assessments and other charges become past due or delinquent, and promptly 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 providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment, thereon, 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 the covenants hereof and for such payments, with interest as aforesaid, the property hereinafter 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 upon 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 to the extent of such sums.

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 such 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 or trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph 7 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 in such appeal.

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 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, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such action and execute such instruments as shall be necessary in obtaining such compensation, 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 reconveyance, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may

(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 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 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 \$5.

10. 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, 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.

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.

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 an event the beneficiary at his election may proceed to foreclose this trust deed 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 hereupon 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 86.735 to 86.795.

13. After 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 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by payment, when due, not then due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed by law.

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, 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 a 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.

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 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.

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 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, 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 the successor trustee.

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 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 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.

18502

of said real property, and 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 for business or commercial purposes.

(b) for an organization, or (even if grantor is a natural person) are for business or commercial 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 pledgees, 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.

SINES LUMBER INC., AN OREGON CORPORATION

KAY M. SINE, Sec. Treas.

STATE OF OREGON,

County of Klamath

SEPTEMBER 24

WESLEY E. SINE, PRESIDENT AND

KAY M. SINE, SECRETARY-TREASURER

SINES LUMBER INC., AN OREGON CORPORATION

Notary Public for Oregon

My commission expires: 9/12/89

REQUEST FOR FULL RECONVEYANCE

TO:

TRUST DEED

of said real property, and 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 for business or commercial purposes.

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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 pledgees, 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.

SINES LUMBER INC., AN OREGON CORPORATION

KAY M. SINE, Sec. Treas.

STATE OF OREGON,

County of Klamath

SEPTEMBER 24

WESLEY E. SINE, PRESIDENT AND

KAY M. SINE, SECRETARY-TREASURER

SINES LUMBER INC., AN OREGON CORPORATION

Notary Public for Oregon

My commission expires: 9/12/89

REQUEST FOR FULL RECONVEYANCE

TO:

TRUST DEED

STATE OF OREGON,

County of

I certify that the within instrument

was received for record on the

day

of

at

in book/reel/volume No.

page

or as fee/file/instru-

ment/microfilm/reception No.

Record of Mortgages of said County.

Witness my hand and seal of

County affixed.

By

NAME

TITLE

18205

TRUST DEED

(FORM No. 801)

STEVENS-NEAS, LAW, PUBL. CO., PORTLAND, ORE.

SINES LUMBER INC., AN

OREGON CORPORATION

Grantor

SOUTH VALLEY STATE BANK

Beneficiary

AFTER RECORDING, RETURN TO:

SOUTH VALLEY STATE BANK

5215 SOUTH SIXTH STREET

KLAMATH FALLS, OREGON 97603

18205

18205

18205

18205

EXHIBIT "A"

18206

DESCRIPTION

PARCEL 1:

Beginning at an iron pin which marks the intersection of the present Southerly right of way line of South Sixth Street in the City of Klamath Falls, Oregon, with the West line of that certain parcel of land conveyed to Marshall E. Cornett, et ux, by Deed recorded in Volume 111, page 399, Deed Records of Klamath County, Oregon, and running thence South $0^{\circ} 03' 45''$ West along the Westerly line of said Cornett Tract a distance of 147.93 feet to an iron pipe; thence North $34^{\circ} 09' 30''$ East a distance of 122.5 feet to an iron pin on the Southerly right of way line of South Sixth Street; thence North $55^{\circ} 50' 30''$ West along the Southerly right of way line of South Sixth Street, a distance of 82.93 feet, more or less, to the point of beginning, said tract being a portion of Tract 70, of Enterprise Tracts, Klamath County, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

PARCEL 2:

Beginning at an iron pin which marks the intersection of the present Southerly right of way line of South Sixth Street in the City of Klamath Falls, Oregon, with the West line of that certain parcel of land conveyed to Marshall E. Cornett, et ux, by Deed recorded on page 399 of Volume 111 of Deed Records of Klamath County, Oregon, and running thence South $0^{\circ} 03' 45''$ West along the Westerly line of said Cornett Tract a distance of 117.83 feet to an iron pipe; thence North $89^{\circ} 56' 15''$ West a distance of 102.45 feet to an iron pipe; thence North $34^{\circ} 09' 30''$ East a distance of 155.1 feet to an iron pin on the Southerly right of way line of South Sixth Street; thence South $55^{\circ} 50' 30''$ East along the Southerly line of South Sixth Street, a distance of 18.82 feet, more or less to the point of beginning, said tract being a portion of Tract 70 of Enterprise Tracts, in Klamath County, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

PARCEL 3:

Beginning at an iron pipe on the West line of the Cornett property which lies South $0^{\circ} 03' 45''$ West a distance of 117.83 feet from the iron pin which marks the intersection of the West line of that certain parcel of land conveyed to Marshall E. Cornett, et ux, by Deed recorded on page 399 of Vol. 111 of Deed Records of Klamath County, Oregon, and the Southerly right of way line of the present South Sixth Street in the City of Klamath Falls, Oregon, and running thence: continuing South $0^{\circ} 03' 45''$ West along the West line of the Cornett property a distance of 60.0 feet to a $3/4$ " iron pipe; thence North $89^{\circ} 56' 15''$ West a distance of 270.5 feet to a 1" iron pipe which lies on the East line of an unnamed street; thence North $0^{\circ} 22' 30''$ West along the East line of the unnamed street a distance of 60.0 feet to a $5/8$ " iron pipe, which marks the Southwest corner of that certain Tract deeded to Safeway Stores and recorded on page 156 of Volume 140 of Deed records of Klamath County, Oregon; thence South $89^{\circ} 56' 15''$ East along the Southerly line of the above mentioned Safeway Stores Tract a distance of 270.9 feet, more or less, to the point of beginning, being a portion of Tracts 70 and 75 of Enterprise Tracts, Klamath County, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

18207

PARCEL 4:

Beginning at a point on the present Southwesterly right of way line of South Sixth Street which point bears South $55^{\circ} 50' 30''$ East a distance of 70.35 feet from the intersection of said Southwesterly right of way line with the North line of Section 4, Township 39 South, Range 9 East of the Willamette Meridian; thence South $89^{\circ} 30' 30''$ West along a line parallel to and 10 feet South at right angles from the South line of Shasta Way, a distance of 21.27 feet to an iron pin; thence South $34^{\circ} 37' 30''$ West along the Southeasterly line of a 40 foot roadway, a distance of 170.2 feet to a $3/4$ " iron pipe; thence South $0^{\circ} 22' 30''$ East along the Easterly line of said roadway, a distance of 81.5 feet to a $5/8$ " iron pipe which marks the Northwest corner of Parcel 3 described above; thence South $89^{\circ} 56' 15''$ East along the North line of said Parcel 3 described above, a distance of 168.45 feet to a $3/4$ " iron pipe which marks the Southwesterly corner of Parcel 2 described above; thence North $34^{\circ} 09' 30''$ East along the Northwesterly line of said Parcel 2 described above, a distance of 155.1 feet to an iron pin on the Southwesterly right of way line of South Sixth Street as presently located and constructed; thence North $55^{\circ} 50' 30''$ West along said right of way line, a distance of 166.86 feet, more or less, to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of South Valley State Bank the 6th day
 of October A.D. 19 87 at 3:54 o'clock P M., and duly recorded in Vol. M87
 of Mortgages on Page 18204
 By Evelyn Biehn County Clerk [Signature]

FEE \$20.00