

**TRUST DEED**

Vol. m89 Page 3442

as Grantor, WILLIAM P. BRANDSNESS

SOUTH VALLEY STATE BANK  
as Beneficiary,

WITNESSETH:

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 10 AND 11, BLOCK 209 MILLS SECOND ADDITION TO THE CITY OF KLAMATH FALLS,  
IN THE COUNTY OF KLAMATH, STATE OF OREGON.

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 ONE HUNDRED THOUSAND AND NO/100 ----- WITH RIGHTS TO FUTURE ADVANCES AND RENEWALS ----- Dollars, with interest thereon according to the terms of a promissory note made by grantor, the final payment of principal and interest hereof, if

sum of ONE HUNDRED THOUSAND AND NO/100 \_\_\_\_\_ Dollars, with interest thereon according to the terms of a promissory  
RENEWALS -----, 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 \_\_\_\_\_, 19.89  
DECEMBER 31  
not sooner paid, to be due and payable \_\_\_\_\_, 19.89  
DECEMBER 31

not sooner paid, to be due and payable DECEMBER 31, 1989.

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.

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; and not to 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 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 executions of 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 \$ FULL AMOUNT payable to the written or

and such other hazards as the beneficiary may desire, written in an amount not less than \$                      **AMOUNT** payable to the latter; all companies acceptable to the beneficiary shall be insured; all policies of insurance shall be delivered to the beneficiary as soon as insured; the beneficiary shall be obligated to pay the premium on all policies; if the beneficiary or 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 the 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 of beneficiary in such order as beneficiary may determine. No portion of beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall not constitute a release or waive any default or notice of default hereunder or invalidate any action hereunder or any action taken hereunder or any action taken hereunder done pursuant to such notice.

act done pursuant to such notice.

act done pursuant to such notice.

5. If two 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 to the beneficiary, should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens and other charges payable by grantor, either by direct payment or by crediting 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, shall be added to and become a part of the debt secured by the trust deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments, with interest as assessed, the property hereinbefore described, as well as the payment of the obligation herein stated except that they are bound to immediately pay and discharge the obligation described, and all such payments shall be immediately due and payable without notice, and the full payment 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.

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 fees actually incurred.

7. To appear in and defend any suit, action or proceeding brought by or on behalf of the beneficiary or trustee; and in any such suit, action or proceeding to pay the beneficiary or trustee any costs and expenses, including attorney's fees, for the foreclosure of this deed, to pay all costs and expenses, including attorney's fees, for the defense of this deed, and in all cases shall pay the amount of attorney's fees mentioned in this deed, even in the event of an appeal from any judgment rendered by the trial court and in the event of an appeal from any judgment rendered by the appellate court. The grantor further agrees to pay such sum as the aforesaid decree of the court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

It is mutually agreed that:

8. In the event that any portion of 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 in compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees, shall be paid to beneficiary by grantor in such proceedings, shall be paid to beneficiary as expenses and attorney's fees applied by it first upon any reasonable costs and expenses incurred or incurred by both in the trial and proceedings, and the balance applied upon the indebtedness of beneficiary in such proceedings, 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 the beneficiary, payment of its fees and presentation of this deed and the note and endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee shall:

(a) consent to the making of any map or plat of said property; (b) join

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 grantee 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 attorney, to be appointed by a court, and without the necessity of any security for the indebtedness, enter upon and take possession of said property in whole 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 to the payment of the indebtedness hereunder, together with interest thereon, and the attorney's fees and costs and expenses of operation and collection, including reasonable attorney's fees upon any subordinated security 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, time being of the essence with respect to such payment and/or performance, the beneficiary may, at any time, cause the sums secured hereby immediately due and payable, in and to the extent of the sums so due and payable, to be foreclosed by this trust deed event the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to foreclose this trust deed by remedy, either at law or in equity, as the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the trustee shall execute and cause to be recorded his written notice of sale and the trustee shall execute and cause to be recorded his written notice of sale and his election to sell the said described real property to satisfy the obligation secured hereby whereupon the trustee shall be and is empowered to foreclose this trust deed thereof as then required by law and to proceed to foreclose this trust deed

notice thereof as then required by Sections 86.735 to 86.795.

3. 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 Section 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due the sums secured by the trust deed, the default may be cured by paying the sums secured by the trust deed, at the time the cure other than such portion as would be required to cure the default, if no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required by the obligation or trust deed. In any case, in addition to the cure of the default or defaults, the person effecting the cure, in order to release the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with the trustee's and attorney's fees not exceeding the amounts provided for in the trust deed, shall be required to pay to the beneficiary at the time the

14. Otherwise, the sale shall be held on the date aforesaid, at which said sale m place designated in the notice of sale or the time aforesaid, the said seller shall sell the property herein described as provided by law. The said seller shall sell the parcel or parcels in one parcel or in several parcels, and shall sell the parcel or parcels in public auction to the highest bidder for cash, payable at the time of sale. Trusts created by the property to be sold shall be extinguished by the sale, and the property shall be delivered to the purchaser its deed in form as required by law conveyed to the purchaser, and the said seller shall execute and deliver to the purchaser 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 who shall be a party to the sale shall be bound by the terms of the said sale.

15. When the trustee shall pursuant to the powers provided herein, trust, including the proceeds of sale to payment of (1) the expenses of sale, (2) the compensation of the trustee and a reasonable charge by trustee, (3) to the obligation secured by the trust deed, (4) to all persons having recorded liens subsequent to the interest of the trustee in the trust property, (5) to the interests of the grantor or his heirs, (6) to the interest of the grantor as their interests may appear in the order of their priority and (7) to the surplus, if any, to the grantor or to his successor in interest entitled to such surplus, the trustee shall have the power to and he shall appoint a successor of his

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 of the trust property to the 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 a written instrument executed by beneficiary in which the property is included 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 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 law-fully 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:  
(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 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 use Stevens-Ness Form No. 1319, 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 acknowledgement opposite.)

STATE OF OREGON,

County of Klamath } ss.

This instrument was acknowledged before me on February 21, 1989, by Kenneth S. Maria Cooney

Sal H. Clark  
Notary Public for Oregon

My commission expires: 12-13-91

STATE OF OREGON, } ss.

County of \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_

Notary Public for Oregon

My commission expires: \_\_\_\_\_

(SEAL)

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

\_\_\_\_\_, 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: \_\_\_\_\_, 19\_\_\_\_\_

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.

KENNETH S. A. COONEY

MARIA COONEY

Grantor

SOUTH VALLEY STATE BANK

Beneficiary

AFTER RECORDING RETURN TO

SOUTH VALLEY STATE BANK  
5215 SOUTH SIXTH STREET  
KLAMATH FALLS, OR 97603

SPACE RESERVED  
FOR  
RECORDER'S USE

Fee \$13.00

STATE OF OREGON, } ss.  
County of Klamath

I certify that the within instrument was received for record on the 27th day of Feb., 1989, at 11:04 o'clock A.M., and recorded in book/reel/volume No. M89 on page 3442 or as fee/file/instrument/microfilm/reception No. 97501 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk  
NAME TITLE

By Debra M. Mulholland Deputy