

**TRUST DEED**

Vol. m89 Page 4181

9TH.....day of

MARCH

1989

1989, between

THIS TRUST DEED, made this  
DONNA L. SCHELLER

as Grantor, WILLIAM P. BRANDSNESS

SOUTH VALLEY STATE BANK  
as Beneficiary,

WITNESSETH:

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 ATTACHED EXHIBIT "A"  
BY THIS REFERENCE MADE A PART HERETO

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 FIVE THOUSAND AND NO/100'S Dollars, with interest thereon according to the terms of a promissory note made by the grantor to the grantee on this day of 11 1998, with the payment of principal and interest hereof, it

sum of \*\*\*THIRTY FIVE 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 MARCH 8, 1992. The date secured by this instrument is the date, stated above, on which the final installment of said note is due and payable, and the date on which the principal and interest thereon is sold, agreed to be sold, or otherwise disposed of by the beneficiary.

note of even date herewith, payable to beneficiary of MARCH 8, 1932,  
not sooner paid, to be due and payable \_\_\_\_\_, stated above, on which the final installment of said note  
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 permit any waste of said property.

[illegible]

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 other hazards as the beneficiary may from time to time require, in an amount not less than \$ FULL AMOUNT written in and payable to the beneficiary, with loss payable to the latter; all companies acceptable to the beneficiary, as the beneficiary may insure; 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 date of delivery 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 same amount so collected, or may, upon any term 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 provisions herefrom from construction liens and to pay all

5. To keep such premises free from construction liens and to pay all not due pursuant to such notes, taxes, assessments, and other taxes, assessments and other charges that may be levied or assessed upon or against the 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, or providing beneficiary with funds with which to pay such taxes, assessments, insurance premiums, or other charges, by direct payment or beneficiary may, at its option, make payment of such taxes, assessments, insurance premiums, or other charges as the note secured and the amount so paid, with interest at the rate set forth in paragraphs 6 and 7 of this deed, together with the obligations described in paragraphs 6 and 7 of this deed, shall be added to and become a part of the debt secured by this trust deed, without waiver of the rights arising from breach of any of the covenants hereof and without prejudice to the rights of the beneficiary under the covenants hereof as described, as well as the grantor, shall be obligated herein same extent that they are bound for the payment of such taxes, assessments, insurance premiums, or other charges and shall be immediately due and payable with interest at the rate set forth in paragraphs 6 and 7 of this deed, and the nonpayment thereof shall be immediately due and payable and 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 the trustee incurred of title search as well as the other costs and expenses of the trustee in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred, and defend any action or proceeding purporting to set aside or annul any suit.

in connection with or in enforcement of fees actually incurred by the beneficiary. The court further stated that the trustee shall 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 beneficiary's or trustee's attorney's fees, including evidence of title and of 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 court, and in the event of an appeal from any judgment or order 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:*

[illegible]

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 alleging 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) convey, 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 services mentioned in this paragraph shall be not less than \$5.

[illegible]

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.

[illegible][illegible]

14. Otherwise, the sale shall be held on the date and at the time and by law. The trustee may place the notice of sale or the time to which said sale may be postponed as provided by law. The trustee may sell the parcel or parcels at once in one or more parcels and in separate parcels, payable at the time of sale. Trustee shall deliver to the purchaser for the deed in form as required by law conveying the property so sold, without any covenant or warranty, expressed or implied. The receipt of the deed in form as required by law 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 in shall advance the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and reasonable charge by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded claims against the interest of the trustee in the trust deed as their interests may appear in the order of their priority and as deemed as if any, to the grantor or to his successor in interest entitled to such 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 or trustee appointed hereunder. Upon such appointment, the latter shall have all the title, powers and duties of such trustee, the latter shall be deemed to have been appointed hereunder, and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the 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 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 666.505 to 666.505.

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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)\* primarily for grantor's personal, family or household purposes (see Important Notice below)  
(b) for other 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.

\* 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 March 10, 1989, by

Donna L. Scheller

Andrea Handsaker  
Notary Public for Oregon

My commission expires: 7-23-89

STATE OF OREGON,

County of \_\_\_\_\_ } ss.

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.

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: \_\_\_\_\_, 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.

DONNA L. SCHELLER

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

STATE OF OREGON,

County of \_\_\_\_\_ } ss.

I certify that the within instrument was received for record on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, 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 affixed.

NAME

TITLE

By \_\_\_\_\_ Deputy

## EXHIBIT "A"

A parcel of land in the E 1/2 E 1/2 SE 1/4 SE 1/4 of Section 32, Township 37 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a point on the Easterly section line of Section 32, said point being North 00 degrees 12' 42" West 131.89 feet from the Southeast corner of Section 32; running thence North 89 degrees 29' 55" West 330.36 feet; thence North 00 degrees 15' 10" West 430.78 feet to a parcel of land owned by Marion W. Gruver; thence along these lands of Gruver, South 89 degrees 35' 57" East 50.00 feet; thence North 00 degrees 15' 10" West 155.16 feet; thence South 89 degrees 35' 57" East 280.78 feet to the Easterly line of Section 32; thence along said section line, South 00 degrees 12' 42" East 586.51 feet to the point of beginning.

DONNA L. SCHELLER  
LOAN #203570  
3-8-89

X *DS*  
Initial

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of ASpen Title Co. the 10th day  
of March A.D., 1989 at 3:28 o'clock PM., and duly recorded in Vol. M89,  
of Mortgages on Page 4181.

Evelyn Biehn County Clerk

FEE \$18.00

By *Quelene Mickelthaler*