

Vol. m89 Page 11721

TO LIST DEED

as Grantor, WILLIAM P. BRANDSNESS, as Trustee, and
SOUTH VALLEY STATE BANK

as Beneficiary, _____

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

LOT 22 IN BLOCK 2, LOCKFORD TRACT 1228, ACCORDING TO THE OFFICIAL PLAT THEREOF
ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, 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 Forty Thousand and No/100 _____

sum of FORTY 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 **JUNE 15, 1990 WITH RIGHTS TO FUTURE ADVANCES AND RENEWALS** ----- date stipulated 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, shall become immediately due and payable.

To protect the security of this trust deed, grantor agrees:

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 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 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.

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 _____ written in companies acceptable to the beneficiary, with loss payable to the lender; and policies of insurance shall be delivered to the beneficiary as soon as insured; if the grantor shall fail or refuse to procure any such insurance and to deliver said policy to the beneficiary at least fifteen days prior to the expiration date of policy of insurance now or heretofore 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 paid in whole or in part to the beneficiary in such order as beneficiary may determine, or the entire amount so collected, or any portion thereof, may be released to grantor. Such application or release shall not cure or waive any default or notice of default surrender 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 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 thereof, and the amount to 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 this trust deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound to the payment of the obligation herein described, and all such payments shall be immediately due and payable without notice, and the management 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's fees actually incurred.

7. To appear in and defend

7. To uphold in and defend any action or proceeding brought by or for the benefit of the beneficiary or trustee; and in any suit, action or proceeding in which the beneficiary or trustee may appear, including any suit for the enforcement of this deed, to pay all costs and expenses, including the attorney's fees of title and the beneficiary's or trustee's attorney's fees; the grantor agrees to pay the 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 and reversal of the judgment 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.

It is mutually agreed that:

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, necessarily paid or incurred by beneficiary.

applied by it first upon any reasonable costs and expenses and another, to be paid, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation.

granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (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.

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10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person by agent or by receiver to be appointed by court, enter upon and take possession of said property and any indebtedness secured, enter upon and take possession of said property 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 satisfaction of the indebtedness secured hereby, and reasonable attorney's fees and expenses of operation 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 performance, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event, upon the beneficiary's election may proceed to foreclose this trust deed by exercising its power of sale, or may elect to exercise its power to foreclose in equity as a mortgagee or direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other legal remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the beneficiary's agent shall cause and cause to be recorded his written notice of default and election to foreclose by advertisement and sale, and the beneficiary and his election to sell the said described real property to satisfy the obligation secured hereby shall be recorded and the beneficiary shall cause to be given notice thereof whereupon the trustee shall list the time and place at which the property shall be sold and cause to be recorded his election to foreclose this trust deed and the trustee shall sell the property at public sale for cash and the proceeds of said sale shall be paid to the beneficiary or its assigns. The sum of \$56,735 to \$66,735.

notice thereof as their agent under ORS 86.735 to 86.795.
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 86.735, may cure sale, the default or defaults. If the default consists of future payments, when due, the sums secured by the trust deed, or all or part of the cure other than such portion as would entire amount due at the time the default occurred. Any other default that is capable of not then be cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default, the obligator or trust deed, the person electing the cure shall pay to the beneficiary the costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided

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 to which said sale may be postponed as provided herein. The trustee may sell said property either in parcels or in severalty. The trustee and his agents may 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 its deed in form as required by law, together with the property so sold, but without any covenants or express or implied. The recitals in the deed shall be the only matters of fact shall be conclusive proof of the facts therein recited. Any person, excluding the trustee, but including

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 land, and (4) to the interests of the beneficiaries in the order of their priority and (4) the remainder to the grantor or his heirs.

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 shall be binding upon the beneficiary.

upon any trustee herein named or appointed hereunder. Each such appointment, and substitution shall be made by written instrument in conformity with the provisions of 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 by the grantor, is recorded as provided by law. Trustee is not

17. Trustee shall be liable to pay to the beneficiary, or to the beneficiary's estate, the principal and interest on the principal, and the costs of collection, at the time and from time to time upon written request of beneficiary, payment of its fees and presentation of this deed and the acknowledgment of the beneficiary, and the beneficiary shall be obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which grantor, or trustee or beneficiary, or any of them, is a party, or in which the trust or the principal or any map or plat of said property; (b) join in

[illegible]

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:
(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.)

L. Q. DEVELOPMENT, OREG. LTD.,
A LIMITED PARTNERSHIP
BY: R.C.L. PROPERTIES, INC.
GENERAL PARTNER
BY: REGINALD R. LEQUEU

STATE OF OREGON,)

County of) ss.

This instrument was acknowledged before me on
1989, by

Notary Public for Oregon

(SEAL)

My commission expires:

STATE OF OREGON,)

County of Klamath) ss.

This instrument was acknowledged before me on June 20
1989, by Reginald R. Lequeu
as President of R.C.L. Properties, Inc.
or as general partner of L.Q. Development,
Inc. Ltd.
Cecil A. Burg

Notary Public for Oregon

My commission expires: 12-13-91

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: 1989, 19

Beneficiary

Do not issue 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. 081)

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

L. Q. DEVELOPMENT, OREG. LTD.

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 Klamath) ss.

I certify that the within instrument was received for record on the 29th day of June, 1989, at 11:29 o'clock AM., and recorded in book/reel/volume No. M89 on page 11721 or as fee/file/instrument/microfilm/reception No. 2066, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

NAME

TITLE

By Roseanne T. Neilland, Deputy

Fee \$13.00