

14762

MTC 23150
TRUST DEED

Vol. m90 Page 9041

THIS TRUST DEED, made this 27TH day of FEBRUARY, 1990, between
BRENDAN CAPITAL CORP., an Oregon corporation

as Grantor, WILLIAM P. BRANDSNESS
SOUTH VALLEY STATE BANK
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 EXHIBITS "B", "C", and "E" BY THIS REFERENCE MADE A PART
HEREOF.

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 FIVE HUNDRED 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 FEBRUARY 22, 1991 WITH RIGHTS TO FUTURE ADVANCES

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. AND RENEWALS

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 same in the proper public office 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 in an amount not less than \$100,000 from time to time require, in companies acceptable to the beneficiary, with less payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as insured; 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 option of beneficiary the entire amount so collected, or any part 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 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 thereof, 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 this trust deed, without waiver of or such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the property extent that they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable without 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.

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 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 suit, 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 on 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 and 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 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, 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 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 grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals thereof, and the 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 and otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, 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 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 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, or may direct the trustee to foreclose this trust deed 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 trustee shall execute and cause to be recorded his written notice of default and his election to sell the said described real property to satisfy the obligation 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 the trustee may, at its option, accept such cure. If the default consists of a failure to pay, when due, the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the default, the person electing the cure shall pay to the beneficiary all 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 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 to 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 its 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 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 696.553.

90 MAY 11 PM 2 47

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.)

BRENDAN CAPITAL CORP., an Oregon corporation

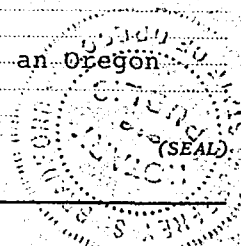
By Richard N. Belcher
Richard N. Belcher
ATTORNEY-IN-FACT

STATE OF OREGON, }
County of _____ } ss.
This instrument was acknowledged before me on _____, 19____, by _____

(SEAL) Notary Public for Oregon
My commission expires: _____

STATE OF OREGON, }
County of Klamath } ss.
This instrument was acknowledged before me on 3/27, 1990, by Richard N. Belcher

as attorney-in-fact
of Brendan Capital Corp., an Oregon corporation
Jeffrey S. Brauer
Notary Public for Oregon
My commission expires: 6/12/92



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. 881-1)
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

Brendan Capital Corp. _____
Grantor
South Valley State Bank _____
Beneficiary

AFTER RECORDING RETURN TO
SOUTH VALLEY STATE BANK
801 MAIN STREET
KLAMATH FALLS OR 97601

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 "B"

A tract of land in Lot 2, Section 26, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at the Southeast corner of said Lot 2; thence North along the East line of said Lot 2, 660 feet to a point; thence West 1155 feet, more or less, to the East line of the W¹W¹W¹NW¹NE¹ of said Section 26; thence South along said East line 660 feet to the South line of said Lot 2, thence East along the South line of said Lot 2, 1155 feet, more or less, to the point of beginning.

EXCEPTING therefrom a parcel of land situated in the most Northeasterly corner of that property described in Deed Volume M-66 at page 3136, all of which is in Lot 2 of Section 26, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows: Beginning at a point on the East line of Lot 2, 660 feet North of the Southeast corner of said Lot 2; thence West 520.00 feet, along the North line of said parcel; thence South 210.00 feet, parallel to the East line of said Lot 2; thence East 520.00 feet, parallel to the North line of said parcel, to the East line of Lot 2; thence North 210.00 feet, along the East line of Lot 2 to the place of beginning.

EXHIBIT "C"

The following described real property situate in Klamath County, Oregon:

The N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 26, Township 39 South, Range 9 East of the Willamette Meridian, BUT EXCEPTING THEREFROM the following parcels:

1. The Easterly 30 feet being the right of way of Homedale Road.
2. The tract deeded to the City of Klamath Falls in Deed Book 272 page 295.
3. The Bureau of Reclamation right of way for 1-C Drain a part of which is described in Deed Book M66 page 6438.
4. The right of way of Bureau of Reclamation Drain along the South Boundary of the property.
5. A parcel of land in the E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 26, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows: Beginning at a 5/8 inch iron pin which is located North 89°52' West 30.00 feet from the East quarter corner of Section 26, and is also the intersection of the Homedale West right of way and the East-West center of Section 26, thence South 00°16' West 883.57 feet along the West right of way of Homedale Road to a 5/8 inch pin; thence West 421.54 feet to a 5/8 inch iron pin which is also the East right of way of 1-C Drain; thence North 00°25'45" West 326.91 feet along the East right of way of 1-C Drain to a 5/8 inch iron pin; thence North 19°48' West 593.20 feet along the East right of way to a 5/8 inch iron pin, which is also the intersection of the East right of way 1-C Drain and the East-West centerline of Section 26; thence South 89°52' East 629.05 feet along the East-West center line of Section 26 to the point of beginning.

EXHIBIT "E"

The following described real property situate in Klamath County, Oregon:

The SE $\frac{1}{4}$ SW $\frac{1}{4}$ and the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 22, Township 39 South, Range 9 East of the Willamette Meridian;

SAVING AND EXCEPTING therefrom the right of way of the Modoc Northern Railway and the F31 Lateral.

ALSO SAVING AND EXCEPTING all that portion of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ lying East of the railroad right of way.

ALSO SAVING AND EXCEPTING beginning at the intersection of the Westerly line of the Central Pacific Railway Co. right of way and the section line common to Sections 22 and 27, Township 39 South, Range 9 E.W.M., in Klamath County, Oregon, being 3444 feet, more or less, East of the section corner common to Sections 21, 22, 27 and 28 of said township and range; thence North 33°16' West 1636 feet, more or less, and parallel to the Central Pacific Railway Company right of way to the North line of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 22; thence Westerly on the last said North line 98.02 feet to a point; thence South 33°16' East 1636 feet, more or less, and parallel to the right of way of the said Central Pacific Railway to the section line common to said Sections 22 and 27; thence Easterly along the section line common to said Sections 22 and 27, 98.02 feet, more or less, to the point of beginning, containing 3.00 acres, more or less.

ALSO SAVING AND EXCEPTING A tract of land located in the SW $\frac{1}{4}$ of aforesaid section, township and range, more particularly described as follows: Commencing at the Southwest corner of Section 22; thence South 88°35'22" East along the South boundary of Section 22, 1337.30 feet to a 5/8 inch iron pin; thence North 00°08'23" East 1329.11 feet to a 5/8 inch iron pin for the true point of beginning of this description; thence North 00°08'23" East 6.69 feet to a 5/8 inch iron pin at the Northwest corner of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 22; thence South 88°54'32" East along the North boundary of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 22, 1079.69 feet to a 5/8 inch iron pin located on the Southwesterly boundary of Spring Lake Road; thence South 33°32'11" East along said road boundary, 25.24 feet to a 5/8 inch iron pin; thence South 88°54'26" West along an existing fence line, 34.95 feet to a 5/8 inch iron pin; thence North 88°04'30" West along an existing fence line 1059.11 feet to the true point of beginning, containing 0.363 acre, more or less.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 11th day
of May A.D., 19 90 at 2:47 o'clock P M., and duly recorded in Vol. M90,
of Mortgages on Page 9041.

FEE \$28.00

Evelyn Biehn, County Clerk

By Pauline Muehlbauer