

88 21-110

TRUST DEED

OCTOBER

, 1990 , between

THIS TRUST DEED, made this 1ST day of
SEE ATTACHED EXHIBIT "D" FOR VESTING

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 KLANATH, County, Oregon, described as:

SEE ATTACHED EXHIBIT "E" 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 connected therewith 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-

Dollars, with interest thereon according to the terms of a promissory note of date herewith, payable to Beneficiary at maturity and made by Grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable.

The date of maturity of the debt incurred by this instrument is the date, stated above, on which the final installment of said debt is due and payable, to the extent she within described property, or any part thereof, or any interest therein is sold, agreed to be received, assigned or otherwise transferred by the grantor without first having obtained the written consent or approval of the beneficiary, unless, at the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or before, shall become immediately due and payable.

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

- (1) To keep and maintain his property in good condition and repair, and to make no additions or improvements thereto, nor to convert the same into waste of said property.
- (2) To complete or reduce, promptly and in good and workmanlike manner, any building or improvement which may be constructed, commenced or discontinued thereon, and gear which may be affixed thereto.
- (3) To comply with all laws, regulations, requirements, conditions, and instructions affecting said property; if the beneficiary requires, to make or furnish such financial 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 taxes and other fees of title or recording agencies as may be deemed desirable by the beneficiary.

(4) To promptly and conveniently maintain insurance on all buildings and such other property as the beneficiary may from time to time require, in amounts not less than \$100,000.00 per annum, written in evidence acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary at least as insured; of the grantor shall lend or assign to the beneficiary to secure 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 in said buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any new or other insurance policy may be applied by beneficiary upon any indebtedness incurred hereby and in such other beneficiary may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be retained by grantor. Such application or release shall not affect the date of default or notice of default hereunder or invalidate any act done thereon or act for each notice.

(5) To keep and preserve free from construction liens and to pay all taxes, assessments and other charges that may be levied or accrued upon or against said property before any part of such taxes, assessments and other charges become due and delinquent and promptly deliver receipts therefor to beneficiary, should the grantor fail to make payment of any taxes, assessments, license or premiums, fine or other charges payable by grantor, either by direct payment or by providing beneficiary with funds which to make such payment, beneficiary may, at its option, make payment thereof, and the amount so paid, with interest at the rate of 12% on the date incurred, but after which 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, if not so added to and become a part of the debt secured by this trust deed, a general waiver of any right arising from breach of any of the covenants, terms and the such payment, all interest as aforesaid, the property herein has described, as well as the grantor, shall be bound to the same mutual 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 amount so secured 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 entering this obligation and trustee's and attorney's fees actually incurred.

(7) To appear in and defend any action or proceeding pertaining to the title or rights or powers of beneficiary or trustee and in any suit, action or proceeding in which the beneficiary or trustee may appear, including and for the foreclosure of this debt, 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 received and compensation for such taking, which are in excess of the amount of any fair and reasonable costs, expenses and attorney's fees, to be paid by grantor and recovered by grantor in such proceedings, shall be paid to beneficiary and applied by it, first against and reasonable costs and expenses and attorney's fees, finally in such proceedings, and the balance applied upon the indebtedness created hereby, and grantor agrees, at its own expense, to take such actions and make such arrangements as may be necessary in obtaining such compensation as promptly upon beneficiary's request.

(9) At any time and upon presentation of this deed and the note for confirmation that same has been acknowledged, or cancellation, without affecting the liability of any person for the payment of the indebtedness, trustee may (a) record for the making of any map or plat of said property; (b) join in

and/or any covenant or creating any restriction thereon; (c) join in any condominium 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 a conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall not be 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 site or 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 hire 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 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 by advertisement and sale, or may direct the trustee to pursue any other right or remedy, either at law or in equity, which the beneficiary may have. In the event the trustee 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 secured hereby whenever the trustee shall fix the time and place of sale, give notice thereof as is 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 86.735, may cure the defaults 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 paying the entire amount due at the time of the cure other than the 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 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 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 lot 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 trustees sell pursuant to the power 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 sum plus, if any, to the grantor or his successor in interest entitled to such sum.

(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, 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.

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: (1) for investment, or (2) 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 account, 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: Section, by statute, whichever ever apply (a) or (b) is it
not applies then (b) 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 Z by making required
disclosures, for this purpose see Stevens-Keas Form No. 1319, or equivalent.
If compliance with the Act is not required, disregard this notice.

(In the space of the above is a corporation,
and the time of incorporation or assumption.)

STATE OF OREGON,

KLAMATH

First produced, was acknowledged before me on
the 19th day of January, 1970, by Kenneth L.
Jespersen, Corina C. and Lawrence C.
Jespersen, et al.

T. Henrichs

Notary Public for Oregon

My commission expires:

2-12-91

STATE OF OREGON,

County of:

This instrument was acknowledged before me on
19....., by.....

ss.

of.....

Notary Public for Oregon

My commission expires:

(SEAL)

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

Trustee

TO:

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

TRUST DEED

(Form No. 1311)

STEVENS-KEAS PUB CO PORTLAND, ORE.

JESPERSSEN ET AL

Grantor

SOUTH VALLEY STATE BANK

Beneficiary

AFTER RECORDING RETURN TO

SOUTH VALLEY STATE BANK
301 MAIN STREET
KLAMATH FALLS OR 97601

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,

County of:

I certify that the within instrument
was received for record on the day
of at o'clock M., and recorded
in book/reel/volume No., on page or as fee/file/instru-
ment/microfilm/reception No., Record of Mortgages of said County.
Witness my hand and seal of
County affixed.

NAME

By

TITLE

Deputy

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.

20654

EXHIBIT "D"
VESTING

KENNETH L. JESPERSEN, LORNA C. JESPERSEN, LAWRENCE C. JESPERSEN, JR.
and V. MAUREEN JESPERSEN
each as to an undivided 1/4 interest
all as tenants in common
as to Parcels 1, 2, and 3

LAWRENCE C. JESPERSEN, JR. and V. MAUREEN JESPERSEN,
husband and wife
as to an undivided 1/2 interest
and

KENNETH L. JESPERSEN and LORNA C. JESPERSEN
as tenants in common
as to an undivided 1/2 interest
all as tenants in common
as to Parcels 4, 5, and 6

KENNETH L. JESPERSEN and LORNA C. JESPERSEN,
husband and wife,
as to an undivided 1/2 interest
and

LAWRENCE C. JESPERSEN, JR and V. MAUREEN JESPERSEN.
as tenants in common
as to an undivided 1/2 interest
all as tenants in common
as to Parcels 8 and 9.

ZEP
ZEP
O.C.J.
r.m.j.

20655

EXHIBIT "E"
LEGAL DESCRIPTION

PARCEL 1:

A tract of land situated in Section 33, Township 38 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point on the East line of said Section 33 from which the Southeast corner of the Section bears South 00 degrees 02' 28" West 1320.00 feet; thence North 00 degrees 02' 28" East along said East line 510.00 feet; thence, leaving said East line, West 350.10 feet, thence North 1216.35 feet to a point on the Southerly right of way line of the Klamath Falls-Lakeview Highway; thence Westerly along said right of way line 442.12 feet to a 5/8" iron pin; thence leaving said right of way line, South 1607.06 feet, thence East 774.03 feet to the point of beginning.

Tax Account No: 3811 V3300 01300 3811 V3300 01700

PARCEL 2:

A tract of land situated in Section 33, Township 38 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Southeast corner of Section 33, thence from said point of beginning South 09 degrees 53' 17" West along the South line of said Section 33, 1328.19 feet to the Southwest corner of the SE1/4 SW1/4 of said Section 33; thence North 00 degrees 13' 15" East along the West line of said SE1/4 SW1/4 713.00 feet; thence South 85 degrees 14' 24" East, 1330.45 feet to the East line of said Section 33; thence South 00 degrees 02' 28" West along the East line of said Section 33, 600.00 feet to the point of beginning.

Tax Account No: 3811 V3300 01900

PARCEL 3:

A tract of land situated in Section 33, Township 38 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

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RJ *al ed*
KM *f.m.j.*

EXHIBIT "E"

beginning at a point on the East line of said Section 33, from which the Southeast corner of said Section 33 bears South 00 degrees 02' 28" West, 600.00 feet; thence from said point of beginning North 85 degrees 14' 24" West, 1320.45 feet to the point on the West line of the SE1/4 of the SE1/4 of said Section 33; thence North 00 degrees 13' 15" East along the West line of said SE1/4 SE1/4, 609.60 feet; thence North 1324.03 feet to the East line of said Section 33; thence South 00 degrees 01' 28" West along said East line of Section 33, 720.00 feet to the point of beginning.

Tax Account No. 3811 V3300 01800

PARCEL 4:

A tract of land situated in Section 4, Township 39 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, and more particularly described as follows:

Beginning at the Northwest corner of said Section 4; thence running North 89 degrees 42' 27" East 1326.47 feet to the Northwest corner of Government Lot 3 and the true point of beginning; thence continuing North 89 degrees 42' 27" East, 446.46 feet; thence South 00 degrees 05' 15" West 1243.83 feet; thence North 89 degrees 46' 44" West, 442.84 feet; thence North 00 degrees 04' 43" West 1239.85 feet to the true point of beginning.

Tax Account No. 3911 V3000 01600
(portion)

PARCEL 5:

A tract of land situated in Section 4, Township 39 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, and more particularly described as follows:

Beginning at the Northwest corner of said Section 4; thence running North 00 degrees 42' 27" East 1772.93 feet to the true point of beginning; thence continuing North 89 degrees 42' 27" East, 440.00 feet; thence South 00 degrees 05' 15" West 1247.77 feet; thence North 89 degrees 46' 44" West, 440.00 feet; thence North 00 degrees 05' 15" East 1243.83 feet to the true point of beginning.

Tax Account No. 3911 V3000 01600
(portion)

PARCEL 6:

A tract of land situated in Section 4, Township 39 South, Range 11 1/2 East of the Willanette Meridian, Klamath County, Oregon and more particularly described as follows:

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EXHIBIT "E"

Beginning at the Northwest corner of said Section 4; thence running North 89 degrees 42' 27" East 2212.93 feet to the true point of beginning; thence continuing North 89 degrees 42' 27" East, 440.00 feet; thence South 00 degrees 05' 15" West 1251.72 feet; thence South 89 degrees 46' 44" East 440 feet; thence North 00 degrees 05' 15" East 1247.77 feet to the true point of beginning.

Tax Account No: 3900 V0000 01600
(portion)

PARCEL 8:

A tract of land situated in Section 4, Township 39 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, and more particularly described as follows:

Beginning at the Northeast corner of said Section 4; thence running South 89 degrees 53' 17" West 1776.38 feet to the true point of beginning; thence South 00 degrees 05' 15" West 1258.28 feet; thence North 89 degrees 41' 06" West 440 feet; thence North 00 degrees 05' 15" East 1255.00 feet; thence North 89 degrees 53' 17" East 440.00 feet to the true point of beginning.

Tax Account No: 3911 V0000 01500
(portion)

PARCEL 9:

A tract of land situated in Section 4, Township 39 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, and more particularly described as follows:

Beginning at the Northeast corner of said Section 4; thence running South 89 degrees 53' 17" West 2216.38 feet to the true point of beginning; thence South 00 degrees 05' 15" West 1255 feet; thence North 89 degrees 41' 06" West 440.00 feet; thence North 00 degrees 05' 15" East 1251.72 feet; thence North 89 degrees 53' 17" East 440.00 feet to the true point of beginning.

Tax Account No: 3911 V0000 01500
(portion)

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STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 12th day
of Oct. 19 90 in 12:03 o'clock P.M., and duly recorded in Vol. M90,
of Mortgages on Page 20652.

FEE \$33.00

Evelyn Biehn - County Clerk
By Sylvia M. Lundquist