

Vol. m90 Page 24100

THIS TRUST DEED, made this 28TH day of NOVEMBER, 1990, between

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

WITNESSETH:

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

OUTLOT 5 IN BOWNE ADDITION TO BONANZA, ACCORDING TO THE OFFICIAL PLAT THEREOF  
ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON

TAX ACCOUNT NO: 3911 01580 00400

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 FIFTY THOUSAND AND NO/100 (150,000.00) Dollars with interest thereon according to the terms of a promissory

sum of ONE HUNDRED FIFTY 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 MAY 10, 1991 WITH RIGHTS TO RENEWALS AND FUTURE ADVANCES. This instrument is the date 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; 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 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

and such other hazards as the beneficiary may wish to insure, at a time to time to be determined by the beneficiary, for an amount not less than \$ \_\_\_\_\_, to be paid with loss payable to the latter; all such policies shall be acceptable to the beneficiary; and the beneficiary as soon as insured shall deliver to the grantor a copy of the policy or policies of insurance so obtained; and if the grantor shall fail for any reason to procure any such insurance and to deliver to the beneficiary a copy of the policy or policies so obtained, the beneficiary shall have the right to cause to be placed on said building a policy of insurance now or hereafter placed on said building, and the beneficiary may procure the same at grantor's expense. The beneficiary shall collect under any fire or other insurance policy which may be applied by beneficiary upon any indebtedness secured by the beneficiary in such order as beneficiary may determine, or at option of the 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 action 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 to 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 by the promissory note, shall be added to the debt of the beneficiary to the trust deed, together with the obligations described in paragraphs 6 and 7. The trust deed, shall be added to and become a part of the debt of any of the trust deed, without waiver of any rights arising from the aforesaid, the provisions hereof and for such payments, with interest as aforesaid, the provisions herebefore described, as well as the payment of the obligation hereinafter 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 the 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.

[illegible]

*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 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 "\_\_\_\_\_" 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 \$5.00.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice to 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 or otherwise for the recovery of the issues and profits, including those past due and to become due, and apply the same to the costs and expenses of the 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 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 due immediately due and payable. In such a case, the beneficiary at his election may proceed to foreclose this trust deed as if it were a mortgage or may elect to pursue any other right or remedy available in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary shall execute and cause to be recorded his written assignment of the trustee shall execute and cause to be recorded his written assignment of the trustee and his election to sell the said described property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as 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 defaults. If the default consists of a failure to pay, when due the debt or debts, the trustee deed, the default may be cured by paying the sums amount due at the time of the cure other than such portion as is payable on the debt or debts then due had no default occurred. Any other default that is curable may then be cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to the sums required to cure the default, the person effecting the cure shall pay to the beneficiary all costs, expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided for in the deed or trust instrument.

14. Otherwise, the sale shall be held on the date and at the time a 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 sold at auction to the highest bidder for cash, provided that the trustee shall deliver to the purchaser a deed in the form as required by law conveying the property to the purchaser, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive and binding upon the truthfulness thereof. Any person who purchases at the sale, shall 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 to the grantor, (2) to all persons entitled to the proceeds of sale, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust, and (4) to the grantor or his successor in interest entitled to a surplus, if any, to the grantor or to his successor in interest entitled to a surplus.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed under. Upon such appointment, and without title, powers and duties conferred, the latter shall be deemed to be the trustee of the trust created by this instrument, and the named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by the beneficiary, and the same shall be recorded in the county of \_\_\_\_\_, \_\_\_\_\_, which, when recorded in the mortgage records of the county of \_\_\_\_\_, \_\_\_\_\_, shall be conclusive proof of proper appointment of the trustee.

17. Trustee accepts this record 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 in 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 lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto

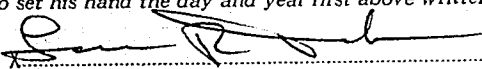
and that he will warrant and forever defend the same against all persons whomsoever.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:  
 XXX  
 (b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes.

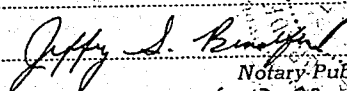
This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or 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.

  
 LARRY R. THURBER

STATE OF OREGON, County of Klamath ) ss.  
 This instrument was acknowledged before me on Nov. 28, 1990,  
 by Larry R. Thurber  
 This instrument was acknowledged before me on \_\_\_\_\_, 19\_\_\_\_,  
 by \_\_\_\_\_  
 as \_\_\_\_\_  
 of \_\_\_\_\_

  
 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)

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

LARRY R. THURBER

Grantor

SOUTH VALLEY STATE BANK

Beneficiary

AFTER RECORDING RETURN TO

SOUTH VALLEY STATE BANK  
 801 MAIN ST  
 KLAMATH FALLS, OR 97601

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 5th day of Dec, 1990, at 9:37 o'clock A.M., and recorded in book/reel/volume No. M90 on page 24100 or as fee/file/instrument/microfilm/reception No. 23320, Record of Mortgages of said County. Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk  
 NAME TITLE

By Douglas M. Mulholland Deputy