

TRUST DEED

Vol. ma Page 1

19 91, between

THIS TRUST DEED, made this 22ND day of MARCH, 19____, by and between JOHN E JOHNSON AND DEBORAH A JOHNSON, AS TENANTS BY THE ENTIRETY, _____ as Trustee, and _____

as Grantor, WILLIAM P. BRANDSNESS

SOUTH VALLEY STATE BANK

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

TAKEN AS ADDITIONAL COLLATERAL ON LOAN #301061 TO MOUNTAIN-PACIFIC COUNSTRUCTION, INC.
IN THE AMOUNT OF \$40,000.00 DATED MARCH 15, 1990 AND MATURING MARCH 15, 1991

IN THE AMOUNT OF \$40,000.00 DATED _____

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.

THE PURPOSE OF SECURING PERFORMANCE OF each agreement of grantor herein contained and payment of the _____ (\$40,000.00) _____ of a promissory

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of FORTY THOUSAND AND NO/100----- (\$40,000.00) ----- Dollars, with interest thereon according to the terms of a promissory note made by grantor, the final payment of principal and interest hereof, if any, shall be paid by grantor to the lender on or before the date specified in said promissory note.

FUTURE ADVANCES AND RENEWALS

sum of FORTY THOUSAND AND NO/100-----(\$40,000.00)-----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 due, shall be due and payable SEPTEMBER 15, 1991 WITH RIGHTS TO FUTURE ADVANCES AND RENEWALS of said note.

The date of maturity of the within described property, or any part thereof, or any interest therein is not sooner paid, to be due and payable by the grantor without first having obtained the written consent or approval of the beneficiary, becomes due and payable. In the event the within described property, or any part thereof, or any interest therein is sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or 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:
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 building or improvement which may be constructed, damaged or destroyed, and to pay all costs incurred therefor.

to complete or restore the building, which may be constructed, damaged, destroyed thereon, or improved thereon due all costs incurred therefor, covenants, conditions and restrictions affecting said property pursuant to the Uniform Code of Criminal Justice, and the Uniform Code of Corrections, and the Uniform Code of Juvenile Justice, and the Uniform Code of the State of Illinois, may require and to pay for law enforcement searches by the proper police and officers, as well as the costs of law enforcement searches by the proper police and 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 an amount not less than \$ **FULL AMOUNT** written in, or attached to, and such other accurance shall be delivered to the beneficiary as soon as insured policies of insurance shall fail for any reason to secure any such insurance and if the grantor shall fail for any reason to deliver said policies to the beneficiary at least fifteen days prior to the buildings delivered said policies to the beneficiary or hereafter placed on said buildings of any policy of insurance at the same at grantor's expense. The amount of the beneficiary may procure any other insurance policy may be applied by beneficiary collected under any fire address secured hereby and in such order as beneficiary may determine or at option of beneficiary the entire amount so collected, may determine, or may be released to grantor. Such application or release shall in any part thereof, may be released to grantor. Such application or release shall not constitute a waiver of any part thereof, or notice of default hereunder or invalidate any part thereof pursuant to such notice.

[illegible]

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, in and defend any action or proceeding purporting to be brought against the trustee or any beneficiary or trustee; and in any suit, action or proceeding brought by or for the benefit of the trust.

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 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 the amount of attorney's fees mentioned in the event of 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.

[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 (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 "persons or persons thereof;" and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the foregoing shall be paid by the grantor. 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 constitute a default hereunder, nor shall the exercise of any such power of sale or other remedy hereunder, or the exercise of any such power of appointment, waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

[illegible]

13. Alter the time prior to 5 days before the date the trustee conducts the sale, and at any time thereafter, the default consists of a failure to pay, when due, the principal or interest on the debt, or the principal or interest on the debt or defaults. If the default consists of a failure to pay, when due, the principal or interest on the debt, the default may be cured by the person electing the cure other than such person as would be entitled to the cure if the cure other than such person as would be entitled to the cure occurred. Any other defense required under the statute shall not then be due had the cure been tendered the person electing the cure being cured may be cured. In any case, in addition to curing the default, the person electing the cure shall pay to the beneficiary the amount of the obligation or the debt, shall pay to the beneficiary the amount of the default, or the person electing the cure shall pay to the beneficiary the amount of the defense actually incurred in enforcing the obligation of the trust or the defense actually incurred in enforcing the obligation of the trust together with trustee's and attorney's fees not exceeding the amounts provided for in the trust instrument.

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 is postponed as provided by law. The trustee may sell the parcel or parcels in one parcel or in separate parcels and shall sell at the time of sale. The auction to the highest bidder for cash, payable at the time required by law conveyed, shall deliver to the purchaser its deed in full and without warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any purchase at the sale.

[illegible]

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, the trustee, with all title, powers and authority of the trustee, the latter shall be deemed to have resigned and the successor trustee, the latter shall be deemed to have accepted the trust, and upon any trustee hereinafter named or appointed hereunder. Except as herein provided, the resignation of any trustee may be made by written instrument filed of record in the county or counties in which the property is situated, and the substitution of any trustee may be made by written instrument filed of record in 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 as a public record as provided by law, and no other document should be recorded in any public record of pending sale under grantor, beneficiary or trust or of any action or proceeding in which grantor, beneficiary or trust may 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:
(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.

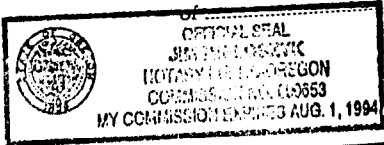
IN WITNESS WHEREOF, said grantor has hereunto set his hand the day and year first above written.

* 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.

X John E Johnson
JOHN E JOHNSON

X Deborah A Johnson
DEBORAH A JOHNSON
AKA Deborah A Johnson

STATE OF OREGON, County of Klamath) ss.
This instrument was acknowledged before me on March 28, 1991,
by John E Johnson & Deborah A Johnson, 19____,
This instrument was acknowledged before me on _____,
by _____,
as _____



Jim Milby
Notary Public for Oregon
My commission expires 8-1-94

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.

JOHN E. & DEBORAH A JOHNSON
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, } ss.
County of _____
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/instru-
ment/microfilm/reception No. _____,
Record of Mortgages of said County.
Witness my hand and seal of
County affixed.

NAME TITLE
By _____ Deputy

15562

EXHIBIT "A"
LEGAL DESCRIPTION

A parcel of land situated in the SW1/4 of Section 34 and the SE1/4 of Section 33, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8" iron pin on the Easterly right of way line of Washburn Way from which the SW corner of said Section 34 bears the following two bearings and distances: South 89 degrees 54' 58" West 30.00 feet, South 00 degrees 10' 55" East 1330.37 feet, more or less, thence from said point of beginning North 89 degrees 54' 58" East 290.00 feet to a 5/8" iron pin; thence South 00 degrees 10' 55" East 422.40 feet; thence South 89 degrees 54' 58" West 371.52 feet to a point on the Easterly right of way line of said Washburn Way, said point also being on a 602.96 feet radius curve, from which the radius point bears North 60 degrees 02' 32" West 602.96 feet; thence along the Easterly right of way line of said Washburn Way and along the arc of a 602.96 feet radius curve to the left (Delta= 30 degrees 08' 23", Long Chord= North 14 degrees 53' 16" East 313.53 feet) 317.18 feet to a 5/8" iron pin; thence continuing along the Easterly right of way line of said Washburn Way North 00 degrees 10' 55" West 119.51 feet to the point of beginning.

Jef
008 3-28-91

STATE OF OREGON: COUNTY OF KLAMATH: SS.

Filed for record at request of Mountain Title Co. the 8th day
of Aug. A.D., 19 91 at 11:53 o'clock AM., and duly recorded in Vol. M91,
of Mortgages on Page 15560.

Evelyn Biehn, County Clerk
By Randall Mullendore

FEE \$18.00