

TRUST DEED

Vol. m91 Page 19680

THE ENTIRETY

WILLIAM P. BRANDSNESS

SOUTH VALLEY STATE BANK

as Beneficiary.

WITNESSETH:

WITNESSETH:
Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in KLAMATH County, Oregon, described as:
THE WESTERLY 64.6 FEET OF LOTS 5 AND 6, BLOCK 5 OF THE TERRACES, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID LOT 6 AND RUNNING THENCE IN A NORTHWESTERLY DIRECTION ALONG THE EASTERLY LINE OF MESA STREET 100 FEET; THENCE EASTERLY ALONG THE LINE BETWEEN LOTS 4 AND 5 IN SAID BLOCK, 64.6 FEET; THENCE SOUTHEASTERLY PARALLEL WITH THE EASTERLY LINE OF MESA STREET 100 FEET TO THE NORTHERLY LINE OF AUBURN STREET; THENCE WESTERLY 64.6 FEET TO THE POINT OF BEGINNING. ALSO THE S1/2 OF THE W1/2 OF LOT 4, BLOCK 5, THE TERRACES, AN ADDITION TO THE CITY OF KLAMATH FALLS.

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 TEN THOUSAND AND 00/100-----

sum of TEN THOUSAND AND 00/100 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 not sooner paid, to be due and payable SEPTEMBER 15, 19 95 FUTURE RIGHTS TO RENEWALS AND 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. 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:

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.

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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 public office or offices, as well as the cost of all law searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.

to maintain insurance on the buildings

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 \$_____ **FUEL AMOUNT** _____, written in and by the beneficiary, and to cause the same to be secured by the insurance companies acceptable to the beneficiary, with loss payable to the beneficiary; and policies of insurance shall be delivered to the beneficiary as soon as insured; if the grantor shall fail for any reason to secure any such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of the policy of insurance now or hereafter placed on said buildings, then the beneficiary may procure the same at grantor's expense, and the cost thereof may be recovered by the beneficiary in such order as beneficiary may determine, or any indebtedness secured by the beneficiary may be applied to the benefit of the beneficiary the entire amount so collected, or 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 constitute a release or waiver of 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 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, by providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment therefor and the amount so paid, with interest at the rate set forth in the hereof, 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 or remedies of aforesaid, the property hereinafter described, as well as the grantor, shall be bound to the covenants hereof and for such payments, with interest as aforesaid, the property hereinafter described, as well as the grantor, shall be bound to the same extent that the grantor is bound for the payment of the obligation herein described, and such payments shall be immediately due and payable without notice and the nonpayment thereof shall, at the option of the lender, 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 any action or proceeding purporting to affect the separation, rights or powers of beneficiary or trustee; and in any suit or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of this deed, to pay the attorney's fees, including evidence of title as mentioned in paragraph 7 in all cases shall be binding upon the parties mentioned in this paragraph 7 in every case fixed by the trial court and in the event of an appeal from such award fixed by the trial court, trustee or either of them, or any such sum in the appellate of the trial court, trustee or either of them, or the beneficiary or trustee's attornelle court shall adjust as they see fit, or any such sum in the appellate on such appeal.

It is mutually agreed that:

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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 amount payable as compensation for such taking, which in excess of the amount necessarily paid or to pay all reasonable costs, expenses, proceedings, shall be paid to beneficiary and incurred by grantor in the taking, and all expenses and attorney's fees, applied by the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the taking such actions secured hereby; and grantor agrees, at its own expense, to cause to be taken such compensation, promptly upon beneficiary's request.

9. **From and from time to time upon written request of bene-**

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 endorsement (in case of full reconveyance for cancellation), without affecting 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 hereon; (d) convey, without warranty, all or any part of the property. The foregoing shall not constitute a release of the grantor from any claims against 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. Trustees 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 the court, without regard to the adequacy of any security for payment of the debt hereby secured, enter upon and take possession of said property and all the contents thereof, and sell or dispose of the same, with the property or any part thereof, in its own name, sue or be sued, and apply the same, issues and profits, including those payable by third parties, to pay the debt, costs and expenses of collection, including reasonable attorney's fees, and 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 or performance, the beneficiary may declare all sums due and payable immediately due and payable. In such an event, the beneficiary at his election may proceed to foreclose this trust deed and thereafter may, at his election, either (a) foreclose the same by advertisement and sale, or may direct the trustee to foreclose the same by any other right or 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 attorney-in-fact shall cause to be recorded in the public records of the county in which the property is located a copy of the instrument by which the trustee shall execute and cause to be recorded his written declaration of his election to foreclose by advertisement and sale, and to comply with the obligation and his election to sell the said described real property at public sale. Give notice hereby whereupon the trustee shall, at the time and place of sale, give notice of such sale of the property as required by law and proceed to foreclose this trust deed in accordance with the provisions of the Oregon Trust Deed Act, ORS 86.735 to 86.795. (MANU) provided in ORS 86.735 to 86.795.

[illegible]

1.f. 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 adjourned by law. The trustee may sell said parcels in one or more parcels or in one parcel or in separate parcels and shall sell the parcels in one or more parcels to the highest bidder for cash, in the form as required by law conveying said deliver to the purchaser, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusively presumed to be true and correct, but without any covenant or warranty, but including the truthfulness thereof. Any person who purchases at the sale, shall purchase at the sale.

of the truthfulness thereof. ANY purchase at the sale, by the grantor and beneficiary, may be made 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 the trustee's attorney, (2) to the obligation secured by the mortgage, (3) to all persons having recorded liens, (4) to the interest of the trustee in the trust deed as their interest may appear in the order of their priority and (5) the surplus, if any, to the grantor or to the successor in interest entitled to such surplus.

18. Beneficiaries may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon the death of any trustee and without conveyance to the successors under this will, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Every appointment upon any trustee herein named or appointed hereunder shall be executed by a written instrument and substitution shall be made by a written instrument executed by beneficiaries, 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 or proceeding in which grantor, beneficiaries or trustee trust or of any action or proceeding in which grantor, beneficiaries 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 606.505 to 606.555.

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:
(a)* primarily for grantor's personal, family or household purposes (see Important Notice below).
~~XX~~

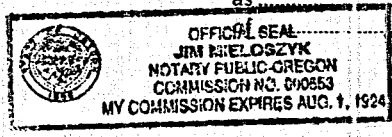
This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or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

Scott D. MacArthur
SCOTT D MAC ARTHUR AKA SCOTT D MACARTHUR
Darleen MacArthur
DARLEEN MAC ARTHUR AKA DARLEEN MACARTHUR

STATE OF OREGON, County of Klamath) ss.
This instrument was acknowledged before me on September 13, 1991,
by Scott D. MacArthur AKA Scott D. MacArthur + Darleen MacArthur AKA Darleen MacArthur
This instrument was acknowledged before me on _____, 19____,
by _____,
as _____



Jim Mieloszyk
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

SCOTT D & DARLEEN MACARTHUR

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

Fee \$13.00

STATE OF OREGON, } ss.
County of Klamath

I certify that the within instrument was received for record on the 27th day of Sept., 1991, at 12:18 o'clock p.M., and recorded in book/reel/volume No. M91 on page 19680 or as fee/file/instrument/microfilm/reception No. 35263, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk
NAME TITLE
By Darleen MacArthur Deputy