STEERS, Donald L. and Hazel F.

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DLB 61228530-02- թե գայլ հատահորի հա

8. The Grantor cove same sud agrees as follows (Direct)

THIS Deep or Taust, made this on 23rd a general aday of an December 19.93 by and between Donald Lo Steers and Hazel F. Steers 2200 South 6th Street, Klamath hereinafter referred to as "Grantor," U.S. Small Business Administration Falls, OR 97601 whose address is 222 Southwest Columbia Street, Ste. 500, Portland, OR 97201-6605 hereinafter referred to as "Trustee," and the Administrator of the Small Business Administration, an agency of the Government of the United States of America, hereinafter referred to as "Beneficiary," who maintains an office and place of fusiness at roles 222 Southwest Columbia Street, Ste . 500, Portland, OR 97201-6605

Of Witnessern, that for and in consideration of \$1.00 and other good and valuable consideration, receipt of which is hereby acknowledged, the Grantor does hereby bargain, sell, grant, assign, and convey unto the Trustee, his successors and assigns, all of the following described propersy situated and being in the County of Klamath State of Oregon; This real property is not currently used for agricultural, grazing or Jestioreur provided in tinber burboses : dialit de mulled to a reasonable bec, en en comme per personal

the Be declaced and paid from the sait herecods. It is turther agreed that it said page it shall be an infiles to the posts and expenses meurical by the Trustee in communicating salch sale. The amount of the files The scribed in Exhibit "A" attached here to and made a part hereof.

JUIN The event of a same as providing an invanir ph is the Truster shall be paid a section in

of Federal stutute either in state or Federal court or otherwise for the dispassions of the property e collection of said indibiteducta. The Tenebriary is Assigns pure take any order apparent to the same ployided, the Craitic, or any prison in cossession under the Aranics, shall thus a superior of the Craitics of the Craitics of the sample of the configuration of the policy of the provincia of the applicable to trank to fing over. The policy and against here is an interest and are irrecorded by death or otherwise, sufficient control as articularly the first official and individual transfer the first collection of said individuals. The Tenebriary of Assigns can take any other superior of the said individuals and the Tenebriary of Assigns can take any other superior of the said individuals. Henror, all of which are hereby exogenty waived that conversation in Francisc Institutional assistance in the contract of the effully at right abreckuption, homestigh, dever, tight of apprisement, and all other spairs and second citate to made abati so limiting and conclusive upon the Granton, and and conveyonce shall be affected to have all of safe herein grants despends, and the said fornets berely under the and appears, the fare and allomby in fact to partie the fare and allomby in fact to partie and the recipity in fact to the fact the ely, which conveyance thalf command regularies to the happening of a default upon which, the everage of the latest and the lat Proster is laureby au frouved to execut and deliver to the purchaser at such sale Onfission consequence and particular to the purchaser at such sale Onfission consequence. Granting Land the Brasilitiary or early perion in bollaff of the Beneficiary may be and second as a contract, and a second second in the Merchenary with a said country of particular forms and country of particular forms. the county or political inhity is son in which said property is situated, all other pours than the site is the alle, Dygallegrinstrikat hat less than authauting circle of sorid four works in specimenyes published as legislated in and it shall be the trivitee's dup to soil said property tand in essent any default of any permission of public property tand in executions to the lighting him property for access smaller of the time terms of the him which the him of the most during the first which the residual in the lighting of the first him of the most during the him of the most during the lighting of the first of the lighting of the lightin eller such unity, the Trinteer noting in the execution of this Trust, chall have the power property and collect the reate and profile thereast lapon their default in payment or party many is a lary or the quiting of the Beneficials of usignificated of manning and the flembeters assign as a second of the the confront lateral and should shall launidistely. Lerome flux, payable, and encessed a survey with a survey with dies, or shall fail to serious any coverant or agreevieur of this instrument or of the progression is The Ceantor columnic and agreed that if he shall fall to per said indecided as or as an

surred by Beneficiary hereunder including reasonable automosal con fact. Together, with and including all buildings, all fixtures, including but not limited to all plumbing, heating, lighting, ventilating, refrigerating, incinerating, air conditioning apparatus, and elevators (the Trustor hereby declaring that it is intended that the items herein commerated shall be deemed to have been permanently installed as part of the realty), and all improvements now or hereafter existing thereon; the hereditaments and appurtenances and all other rights thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, and the rente, issues, and profits of the above described property. To have and to hold the same unto the Trustee, and the successors in interest of the Trustee, forever, in fee simple or such other estate, if any, as is stated herein in trust, to secure the payment of a promiserry note dated December 23, 1993 & maturing on December 23, bteduess secured, either personally or by attorney or again without bringing and

in the principal sum of 348,500.00 and a signed by Donald L. Steers and Hazel F. Steers in behalf of themse lves; or the customits or conditions of the mention of the si-The beneficial owner and holder of said note and of the indebtedness evidenced thereby is the Beneficiary. property shall be released and reconveyed to and at the cost of the firestor

merly This conveyance is made upon and subject to the further trust that the said Grantor shall remain in quiet and peaceable possession of the above granted and described premises and take the profits thereof to his own use until default be made in any payment of an installment due on said note or in the performance of any of the covenants or conditions contained therein or in this Deed of Trust; and, also to secure the reimbursement of the Beneficiary or any other holder of wald note, the Trustee or any substitute trustee of any and all costs and expenses incurred, including The interpretation and hear of each of the lager time and insurements of the languarity local in the languarity local interpretation of the languarity local interpretation

reisonable attorneys' fees, on account of any litigation which may arise with respect to this Trust or with respect to this indebtedness evidenced by said note, the protection and maintenance of the property hereinabove described or in obtaining persession of said property after my safe which may be made as hereinafter provided.

- 16:102. Upon the full payment of the indebtedness evidenced by said note and the interest thereon, the payment of all other sums herein provided for, the repayment of all monies advanced or expended pursuant to said note or this instrument, and upon the payment of all other or osts, charges, commissions, and expenses, the above described property shall be released and reconveyed to and at the cost of the Grantor.
- Just penegramy assets and project of surgeneous and of this instrument or of the note or loan agreement secured hersby, the Beneficiary on his assigns may without notice and without regard to the adequacy of security for the indebtedness secured, either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by the court, enter upon and take possession of said property or any part thereof, and do any acts which Beneficiary, deems proper to protect the security hereof, and either with or without taking possession of said property, collect and receive the rents, royalties, issues, and profits thereof, including rents accrued and unpaid, and apply the same, less costs of operation and collection, upon the indebtedness secured by this Deed of Trust, said rents, royalties, issues, and profits, being hereby assigned to Beneficiary as further security for the payment of such indebtedness. Exercise of rights under this paragraph shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice but shall be cumulative to any right and remedy to declare a default, and to cause notice of default to be recorded as hereinafter provided, and cumulative to any other right and/or remedy hereunder, or provided by law, and may be exercised concurrently or independently. Expenses incurred by Beneficiary hereunder including reasonable attorneys' fees shall be secured hereby.
- 4. The Grantor covenants and agrees that if he shall fail to pay said indebtedness, or any part thereof, when due, or shall fail to perform any covenant or agreement of this instrument or of the promissory note secured hereby, the entire indebtedness hereby secured shall immediately become due, payable, and collectible without notice, at the option of the Beneficiary or assigns, regardless of maturity, and the Beneficiary or assigns may enter upon said property and collect the rents and profits thereof. Upon such default in payment or performance, and before or after such entry, the Trustee, acting in the execution of this Trust, shall have the power to sell said property, and it shall be the Trustee's duty to sell said property (and in case of any default of any purchaser, to resell) at public auction, to the highest bidder, first giving four weeks' notice of the time, terms, and place of such sale, by advertisement not less than once during each of said four weeks in a newspaper published or distributed in the county or political subdivision in which said property is situated, all other notice being hereby waived by the Grantor (and the Beneficiary or any person on behalf of the Beneficiary may bid and purchase at such sale). Such sale will be held at a suitable place to be selected by the Beneficiary within said county or political subdivision. The Trustee is hereby authorized to execute and deliver to the purchaser at such sale a sufficient conveyance of said property, which conveyance shall contain recitals as to the happening of a default upon which the execution of the power of sale herein granted depends; and the said Grantor hereby constitutes and appoints the Trustee as his agent and attorney in fact to make such recitals and to execute said conveyance and hereby covenants and agrees that the recitals so made shall be binding and conclusive upon the Grantor, and said conveyance shall be effectual to bar all equity or right of redemption, homestead, dower, right of appraisement, and all other rights and exemptions of the Grantor, all of which are hereby expressly waived and conveyed to the Trustee. In the event of a sale as hereinabove provided, the Grantor, or any person in possession under the Grantor, shall then become and be tenants holding over and shall forthwith deliver possession to the purchaser at such sale or be summarily dispossessed, in accordance with the provisions of law applicable to tenants holding over. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, and are granted as cumulative to all other remedies for the collection of said indebtedness. The Beneficiary or Assigns may take any other appropriate action pursuant to state or Federal statute either in state or Federal court or otherwise for the disposition of the property.
- 5. In the event of a sale as provided in paragraph 4, the Trustee shall be paid a fee by the Beneficiary in an amount not in excess of provided, percent of the gross amount of said sale or sales, provided, however, that the amount of such fee shall be reasonable and shall be approved by the Beneficiary as to reasonableness. Said fee shall be in addition to the costs and expenses incurred by the Trustee in conducting such sale. The amount of such costs and expenses shall be deducted and paid from the sale's proceeds. It is further agreed that if said property shall be advertised for sale as herein provided and not sold, the Trustee shall be entitled to a reasonable fee, in an amount acceptable to the Beneficiary for the services so rendered. The Trustee shall also be reimbursed by the Beneficiary for all costs and expenses incurred in connection with the advertising of said property for sale if the sale is not consummated.
- 6. The proceeds of any sale of said property in accordance with paragraph 4 shall be applied first to payment of fees, costs, and expenses of said sale, the expenses incurred by the Beneficiary for the purpose of protecting or menatoring said property and reasonable attorneys' fees; secondly, to payment of the indebtedness secured hereby; and thirdly, to pay any surplus or excess to the person or persons legally entitled thereto.
- 7. In the event said property is sold pursuant to the authorization contained in this instrument or at a judicial foreclosure sale and the proceeds are not sufficient to pay the total indebtedness encured by this instrument and evidenced by said promistory note, the Beneficiary will be entitled to a deficiency judgment for the amount of the deficiency without regard to appraisement the Granter having waived and assigned all rights of appraisement to the Trustee.
 - 8. The Grantor covenants and agrees an follows: (1950-01)
- 1998 (1998) 1998 a. He will promptly pay the includedness evidenced by said preminery note at the times and in the

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- A the will pay till trave, ascentionst, water rided, and other governmental or municipal charges, fines, or impositions, for which provision has pur boso reads bereliabefore, and will promptly deliver the official reonly therefor to the Brookstery.
- at the will pay such expresses and fees as may be incurred in the protection and maintenance of said property, including the fees of any anterney employed by the Beneficiary for the collection of any or all of the included have benefit; escured, or such expresses and fees as may be incurred in any foreclosure sale by the Trustee, or eners proceedings or in any other litigation or proceeding affecting said property, and attorneys' fees seasmably incomed in any other way.
- d. The rights created by this curreyance shall remain in full force and effect during any postponement or extension of the time of the payment of the indebtedness evidenced by said auto or any part thereof secured hereby.
- e. He will esset intensity maintain basard insurance of such type or types and in such amounts as the Beneficiary may from time to time require, on the improvements now or hereafter on said property, and will pay presuptly when due any premiums therefor. All insurance shall be carried in companies acceptable to Beneficiary and the policies and renewals thereof shall be held by Beneficiary and have attached thereto loss payable clauses in favor of and in form acceptable to the Beneficiary. In the event of loss, Grantor will give immediate notice in writing to Beneficiary and Beneficiary may make proof of loss if not made promptly by Grantor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Beneficiary instead of to Grantor and Beneficiary jointly, and the insurance proceeds, or any part thereof, may be applied by Beneficiary at its option either to the reduction of the indebtedness hereby secured or to the materation or repair of the property damaged. In the event of a Trustee's sale or other transfer of title to taid property in entinguishment of the indebtedness secured hereby, all right, title, and interest of the Grantor in and to any insurance policies then in force shall pass at the option of the Beneficiary to the purchaser or Beneficiary.
- J. He will keep the said premises in as good order and condition as they are now and will not commit or permit any waste thereof, reasonable wear and tear excepted, and in the event of the failure of the Grantor to keep the buildings on said premises and those to be erected on said premises, or improvements thereon, in good repair, the Beneficiary may make such repairs as in the Beneficiary's discretion it may deem necessary for the proper preservation thereof, and any sams paid for such repairs shall bear interest from the date of payment at the rate specified in the note, shall be due and payable on demand and shall be fully secured by this Deed of Trust.
- 8. He will not without the prior written consent of the Beneficiary voluntarily create or permit to be created against the property subject to this Deed of Trust any lien or liens inferior or superior to the lien of this Deed of Trust and further that he will keep and maintain the same free from the claim of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on said premises.
- CONSIA h.! He will not rent or assign any part of the rent of said property o der olish, remove, or substantially alter any building without the written consent of the Beneficiary.
- 9. In the event the Grantor fails to pay any Federal, state, or local tax assessment, income tax or other tax lien, charge, fee, or other expense charged to the property hereinabove described, the Beneficiary is hereby authorized to pay the same and any sum so paid by the Beneficiary shall be added to and become a part of the principal amount of the indebtedness evidenced by said promissory note. If the Grantor shall pay and discharge the indebtedness evidenced by said promissory note, and shall pay such sums and shall discharge all taxes and liens and the costs, fees, and expenses of making, enforcing, and executing this Deed of Trust, then this Deed of Trust shall be canceled and surrendered.
- 10. The Grantor covenants that he is lawfully seized and possessed of and has the right to sell and convey said property; that the same is free from all encumbrances except as hereinabove recited; and that he hereby binds himself and his successors in interest to warrant and defend the title aforesaid thereto and every part thereof against the lawful claims of all persons whomsoever; or has excepted and the successors in interest to warrant and defend the title aforesaid thereto and every part thereof against the lawful claims of all persons whomsoever; or has excepted and possessed of and has the right to sell and convey said property; that the same is free from all encumbrances except as hereinabove recited; and that he hereby binds himself and has the right to sell and convey said property; that the same is free from all encumbrances except as hereinabove recited; and that he hereby binds himself and himself and the same is free from all encumbrances except as hereinabove recited; and that he hereby binds himself and hi
- its successors or assigns, shall execute and deliver a supplemental mortgage or mortgages covering any additions, improvements, or betterments made to the property hereinabove described and all property acquired after the date hereof (all in form satisfactory to Grantee). Furthermore, should Grantor fail to cure any default in the payment of a prior or inferior encumbrance on the property described by this instrument, Grantor hereby agrees to permit Beneficiary to cure such default, but Beneficiary is not obligated to do so; and such advances shall become part of the indebtedness secured by this instrument, subject to the same terms and conditions.
- of the Dates in the said of damages in connection with any condemnation for public use of or injury to any of said property are hereby assigned and shall be paid to Beneficiary, who may apply the same to payment of the installments last due under said note; and the Beneficiary is hereby authorized, in the name of the Grantor, to execute and deliver valid acquittances thereof and to appeal from any such award.
- 13. The irrevocable right to appoint a substitute trustee or trustees is hereby expressly granted to the Beneficiary, his recessors or assigns, to be exercised at any time hereafter without notice and without specifying any reason therefor, by filing for record in the office where this instrument is recorded an instrument of appointment. The Grantor and the Trustee herein named or that may hereinafter be substituted hereunder expressly waive notice of the exercise of this right as well as any requirement or application to any court for the removal, appointment or substitution of any trustee hereunder.

altilla tipal ac nell es any legaurement en enplacation (a any con l' for the renewal, i phonoreur or a 327 ing he Trustee inrola tagred or clusting hireitaalter is substituatelbeteanler expecializative in the [01: |14] Notice of the exercise of any option granted herein to the Beneficiary or to the holder of the note secured hereby is not required to be given the Grantor, the Grantor having hereby waived such notice. 13. The irreverable that to appoint a substitute france of trades is acreb) appared; period 15. If more than one person joins in the execution of this instrument as Grantor or if anyone so joined be of the ferninine sex; the pronouns and relative words used ferein shall be read as if written in the plural or feminine. respectively, and the term "Beneficiary" shall include any payee of the indebtedness hereby secured or any assignee or transferce thereof whether by operation of law or otherwise. The covenants herein contained shall bind and the rights herein granted or conveyed shall inure to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. the indebtedness secured by this instrument, subject to the same verues and conditions 13 (13 Page 14) 13 Page 14 Pag CiPiR: 101:1(d)], this instrument is to be construed and enforced in accordance with applicable Federal law. nereof (all in fermestigistion) to Granter). Furthermore, should Granter laid to res which 7.14 judicial decrees order, or judgment holding any provision or portion of this instrument invalid or uncaforceable shall not in any way impair or preclude the enforcement of the remaining provisions or portions of this gurishment better security of the indebtodiess berely secured, the Cranton, upost at SAGININ WITNESS WHEREOF, the Grantor has executed this instrument and the Trustee and Beneficiary have accopied the delivery of this instrument as of the day and year aforesaid. projecty; that the same is free from all enoundrances except a 10. The Granter covenings that he is takefully set and and parenty, that the same is fees from in expined of making, enforting, and executing this Died of Trust the indebtedness evidenced by said promisenty note il the VaiHazer And by land remainers, note, and shall pay such same and man the same and many and earnings and earnings. Steers only the same and any someo pameby the Bandaiary thall be added to sure potantia w breaking charge, fee, or other expense charged to the property heremade its described, the Berefitter Q. In the event the Granide falls to say any I edited, start, or lesse tax new percent, exceeded STATE OF OREGON alter any building without the wr) nastingent of the Bearing ary, COUNTY TOFFITT OF WASHINGTON BARRY OF THE POPULATION OF THE PROPERTY OF THE PR on this day there personally appeared before me Doold Some and Head the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned. bein WITNESS : WIEREOF, I shave hereunto set my hand and official seal this to the Description of the Company of the control o this Deed of Lines. good temits the Benedelary may make auch repairs keep the buildings on said premies said these to be c permit any waste thereof, reasonable wear and tear e OFFICIAL SEAL OF State of OACOON OFFICIAL SEAL AND STATE OF MACON FOLLOWING STATE OF MY COMMISSION EXPIRES DEC. 23. 1946 25 Aur of the property damaged to the event of a final part thereof, may be applied by Beneficiary at its optical rather to the symbolica of the hose diggetly to Benatheter, marsed at to Granton and Benedicary potation and the istanting and each ansurance nonlighy concerned is berray unlineaused and divested its across inchellate notice in welling to Beneficiary said Beneficiary and principal all land if more repayable clauses to layor of and his term acceptable to the Beneficiary in the event of the investigation and the event of the present of the contract in the event of the investigation and the event of tieneficiary and the policies and centrals thereof shall be hold by Cench, is == indicave alto Beneficiary analy from time to direct sequence, in the targeorg ments now or beriative the pay promptly when due only frequence therefore All meanance attail be carried in coup. of He gill continuously maintain hazard Resulator of smill type of types and in CA 95853-4795 or detension of the limb of the system of the Edubut lones evidenced by said not on any MCLOUA transcent in sight ther may. DAT. Fig. 201 psy suggestions and confirming to the production and to propose and the production and to propose and the production and to propose and the production and t to. He Til pily all taxeHesseaments, wher rates and other gaveraments or mandage impositions. Our which provision bus but began anado had babefore, and still prompt (st exipte there). In the Benefigar:

PARCEL 1:

A parcel of land in Block 242, MILLS SECOND ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the County Clerk (Klamath County, Oregon, more particularly described as follows:

Beginning at the intersect point of the Easterly line of said property and the Southerly right of way line of the relocated Klamath Falls-Lakeview Highway, which is 40 feet distant Southerly from (when measured at right angles to) the centerline of the said relocated highway; said point also being North 55 degrees 50° 30" West 201.20 feet from the intersection of the Southerly right of way line of said highway and the Northerly right of way line of Shasta Way; thence North 55 degrees 50° 30" West along said relocated right of way line 94.53 feet more or less to the East line of Lot 2, Block 2 of the Re-subdivision of Block 242, MILLS SECOND ADDITION; thence South 0 degrees 19° 30" East along said East line of said subdivision 167.14 feet more or less to the Northerly line of Shasta Way; thence North 89 degrees 40° 30" East 30.51 feet along said Northerly line of Shasta Way to an iron pin; thence North 22 degrees 19° 30" East 123.12 feet more or less to the point of beginning.

PARCEL 2:

The Westerly 80.42 feet of Lots 4 and 5 and the Westerly 80.42 feet of the South 20 feet of Lot 3, Block 2, Resubdivision of Block 242, MILLS SECOND ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

AND ALSO Lot 1, Block 2; ALSO the following described portion of Lots 2 and 3, Block 2; Beginning at a point on the West line of said Lot 3 which point is North 0 degrees 05' East a distance of 20 feet from the Southwest corner of said Lot; running thence East along the North line of the South 1/2 of said Lot 3, a distance of 80.42 feet, more or less, to a point 27.58 feet West of the East line of said Lot 3; thence North 98.24 feet, more or less, to a point on the Southwesterly side of South 6th Street; thence North 55 degrees 15' West along the Southwesterly side of South 6th Street, a distance of 48.89 feet, more or less, to the Northwest corner of said Lot 2; thence South along the West line of Lot 2, 106.1 feet, to the Southwest corner of Lot 2; thence West along the line between Lots 1 and 3, 40 feet to the Southwest corner of Lot 1; thence South along the East line of Martin Street 20 feet to the point of beginning.

All lying in Elock 242 of MILLS SECOND ADDITION TO THE CITY OF ELAMATH FALLS, Oregon, according to the supplemental plat of the Westerly postion of Block 242 MILLS SECOND ADDITION to the City of Klamath Falls, Oregon.

EXCEPTING AND RESERVING from the above described property that portion thereof conveyed by Frank Ferrari, et ux., to the State of Oregon by Deed recorded in Book 148, page 201, Deed Records of Klamath County, Oregon.

PARCEL 3:

The Easterly 27.58 feet of Lots 2, 3, 4 and 5, Block 2 of the Supplemental Plat of the Westerly portion of Block 242, MILLS SECOND ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

EXCEPTING THEREFROM the Northersterly strip deeded to the State of Oregon for the widening of South Shath Street.

STATE OF OREGON: COUN	NTY OF KLAMATH:				
		구경 발표 함께 있는 것 같아 있습니다. 요즘 및 회사를 받는 것 같아 있는데 하는 것 같아.			
Filed for record at request of	Mountain	<u> </u>	the	29th	da
of	A.D., 19 93 at 1	:51 o'clock P.M., and	duly recorded in	Vol. M93	
	A CONTRACTOR OF THE PROPERTY O	on Page 351	26		
FEE \$30.00		Evelyn Blehn By	County Cler	k te	