

Account Number: 8805160  
ALAPS Number: 942211006 JO  
Date Printed: 9/1/1994

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RCVD

Vol 94 Page 27664

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WHEN RECORDED MAIL TO:

BANK OF AMERICA OREGON

Regional Loan Service Center

P.O. Box 3828

Seattle, WA 98124-3828

RESERVED FOR AUDITOR'S USE ONLY.

DEED OF TRUST

THIS DEED OF TRUST is granted this 2nd day of September, 19 94  
by R. Keith Shipton And Sondra Shipton as Tenants By The Entirety

(Grantor) to ASPEN TITLE & ESCROW, INC

ORIGON. (Beneficiary). Grantor agrees as follows

(Trustee), in trust for BANK OF AMERICA

1. CONVEYANCE. Grantor hereby bargains, sells and conveys to Trustee in trust, with power of sale, all of Grantor's right, title and interest in the following described real property ("Property"), whether now owned or later acquired, located at 3945 Rio Vista Way

KLAMATH FALLS OR 97603

in Klamath

County, Oregon and legally

described as: Lot 5, Block 12, Tract No. 1019, Sixth Addition To Sunset Village. In The County Of Klamath, State Of Oregon.

Property Tax ID # 564473

together with all equipment and fixtures, now or later attached to the Property; all tenements, hereditaments and appurtenances, now or later in any way appertaining to the Property; and all leasehold interests, rents, payments, issues and profits derived from or in any way connected with the Property

2. ASSIGNMENT OF RENTS

2.1 ASSIGNMENT. Grantor further assigns to Beneficiary all of Grantor's interest in all existing and future leases, licenses and other agreements for the use or occupancy of the Property. "Contracts", including the immediate and continuing right to collect, in either Grantor's or Beneficiary's name, all rents, receipts, income and other payments due or to become due under the Contracts ("Payments"). As long as there is no default under this Deed of Trust, Grantor is granted a license to collect the Payments but such license shall not constitute Beneficiary's consent to Grantor's use of the Payments in any bankruptcy proceeding.

2.2 DISCLAIMER. Nothing contained in this Deed of Trust shall be construed as obligating Beneficiary or any receiver to take any action to enforce any provision of the Contracts, expend any money, incur any expense or perform any obligation under the Contracts. Beneficiary's duties are expressly limited to giving of proper credit for all Payments received by it.

3. SECURED OBLIGATIONS. This Deed of Trust secures performance of each agreement of Grantor contained in this Deed of Trust and the payment of the sum of sixty two thousand two hundred twelve dollars and no cents

(\$ 62,212.00) with interest thereon as evidenced by a promissory note(s) dated September 2, 19 94, payable to Beneficiary or order and made by Grantor, including all renewals, modifications and extensions thereof and any future advances hereunder ("Secured Obligations"). Nothing contained in this Deed of Trust shall be construed as obligating Beneficiary to make any future advance to Grantor.

4. MATURITY DATE. The term of the Secured Obligation commences on the date this Deed of Trust is executed and shall end, if not paid earlier, on 8/30/2014

5. AFFIRMATIVE COVENANTS. Grantor shall

5.1 MAINTENANCE OF PROPERTY. Maintain and preserve the Property in good condition and repair, ordinary wear and tear excepted; complete any improvement which may be constructed on the Property; and restore any improvement which may be damaged or destroyed;

5.2 COMPLIANCE WITH LAWS. Comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Property;

5.3 REAL ESTATE INTERESTS. Perform all obligations to be performed by Grantor under the Contracts;

5.4 PAYMENT OF DEBTS AND TAXES. Pay promptly all obligations secured by the Property; all taxes, assessments and governmental liens or charges levied against the Property; and all claims for labor, materials, supplies or otherwise which, if unpaid, might become a lien or charge upon the Property

5.5 INSURANCE. Insure continuously, with a financially sound and reputable insurer acceptable to Beneficiary, all improvements on the Property against all risks, casualties and losses through standard fire and extended coverage insurance or otherwise, including, without limitation, insurance against fire, theft, casualty, vandalism and any other risk Beneficiary may reasonably request. The insurance policies shall be in an aggregate amount of not less than the full replacement cost of all improvements on the Property, including the cost of demolition and removal of debris, and shall name Beneficiary as loss payee, as its interest may appear. The amount collected under the insurance policies may be applied to the Secured Obligation in any manner as Beneficiary determines, and such application shall not cause discontinuance of any proceeding to foreclose upon this Deed of Trust. In the event of foreclosure, all of Grantor's rights in the insurance policies shall pass to purchaser at the foreclosure sale;

5.6 HAZARDOUS WASTE. Notify Beneficiary within twenty-four (24) hours of any release of a reportable quantity of any hazardous or regulated substance, or of the receipt by Grantor of any notice or order or communication from any governmental authority which relates to the existence of or potential for environmental pollution of any kind existing on the Property, or results from the use of the Property or any surrounding property; and

5.7 COSTS AND EXPENSES. Pay, reimburse and indemnify Beneficiary for all of Beneficiary's reasonable costs and expenses incurred in connection with foreclosing upon this Deed of Trust, defending any action or proceeding purporting to affect the right, or duties of Beneficiary or Trustee under this Deed of Trust, or managing the Property and collecting the Payments including, without limitation, all reasonable attorneys' fees and value of the services of staff counsel, legal expenses, collection costs, costs of title search, and trustee's and receiver's fees at trial or on appeal

6. NEGATIVE COVENANTS. Grantor shall not, without Beneficiary's prior written consent:

6.1 PAYMENTS. Accept or collect Payments more than one month in advance of the due date;

6.2 MODIFY CONTRACTS. Terminate, modify or amend any provision of the Contracts; or

6.3 RESTRICTIONS ON CONVEYANCES. Should the Grantor or the Grantor's successors in interest without the consent in writing of Beneficiary sell, transfer, or convey, or permit to be sold, transferred or conveyed, by agreement for sale or in any other manner, Grantor's interest in the property (or any part thereof), then Beneficiary may declare all sums secured hereby immediately due and payable. This provision shall apply to each and every sale, transfer or conveyance, regardless of whether or not Beneficiary has consented to or waived. Beneficiary's right hereunder, whether by action or non-action, in connection with any previous sale, transfer, or conveyance, whether one or more.

7. EMINENT DOMAIN. In the event any portion of the Property is taken through eminent domain, the amount of the award to which Grantor is entitled shall be applied to the Secured Obligation.

8. RECONVEYANCE. Trustee shall reconvey such portion of the Property to the person entitled thereto upon written request of Beneficiary, or upon satisfaction of the Secured Obligation and written request for reconveyance made by Beneficiary or any person interested in the Property.

9. SUCCESSOR TRUSTEE. In the event of death, incapacity, disability or resignation of the Trustee, Beneficiary may appoint a successor trustee and upon the recording of such appointment in the records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original Trustee.

10. EVENTS OF DEFAULT. The occurrence of any of the following events shall, at Beneficiary's option, and at any time without regard to any previous knowledge on Beneficiary's part, constitute a default under the terms of this Deed of Trust, the Secured Obligation and all related loan documents:

10.1 NON-PAYMENT OF PRINCIPAL OR INTEREST. Any payment of principal or interest on the Secured Obligation is not made when due; or

10.2 FAILURE TO PERFORM. Any tax assessment, insurance premium, lien, encumbrance or other charge against the Property, or any payment under a real estate contract covering the Property is not paid when due; or any other term, covenant or agreement of Grantor contained in this Deed of Trust or in any other document with Beneficiary, or in which Grantor grants a security interest in the Property, is not promptly performed or satisfied.

**11. REMEDIES UPON DEFAULT.** If any default occurs and**11.1. TERMINATE COMMITMENT.** Terminate any out-

**11.2. ACCELERATE.** Declare in any of the Secured

**11.3. PAYMENTS.** Pay such sums as may be neces-

**11.4. REINSTATEMENT.** The Grantor shall have the

**11.5. COLLECTION OF PAYMENTS.** Terminate the

**11.6. TRUSTEE'S SALE.** Direct the Trustee, upon writ-

**11.7. OTHER REMEDIES.** Pursue all other available

continuing, Beneficiary may, at its option:

and/or unfulfilled commitment to Grantor;

Obligation, together with all accrued interest, to be immediately due and payable

of which are expressly waived by Grantor;

ary, to pay any tax, assessment, insurance premium, lien, encumbrance or other

Deed of Trust. Grantor shall reimburse Beneficiary, upon demand, for all such

and attorney's fees, to the extent permitted by applicable law. Upon reinstatement

he sale or transfer of Grantor's property.

and demand and collect all Payments, including endorsing any check, draft or other

to the benefit of and is binding upon the respective heirs, devisees, legatees,

to Beneficiary and accepted by Beneficiary in the State of Oregon. This Deed of

Secured Obligation shall not be personally liable for the obligations therein and is

Grantor waives any right to plead any statute or limitations as a defense to any

THIS INSTRUMENT WILL NOT ALLOW FOR THE USE OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USE.

HE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING

R. Keith Shipton  
R. Keith Shipton

Sondra Shipton  
Sondra Shipton

**ACKNOWLEDGMENT BY INDIVIDUAL**

STATE OF OREGON )

County of Klamath ) ss.

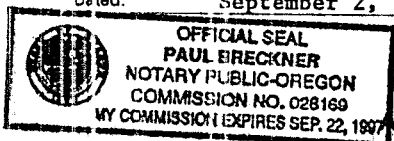
I certify that I know or have satisfactory evidence that R. Keith Shipton and Sondra Shipton

is/are the individual(s) who signed this instrument in my presence and acknowledged it to be (his/her/their) free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: September 2, 1994

Paul Breckner  
(NOTARY PUBLIC FOR THE STATE OF OREGON)

My appointment expires \_\_\_\_\_

**ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY**

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Tire Co the 2nd day of Sept. A.D., 19 94 at 3:37 o'clock P.M., and duly recorded in Vol. M94 of Mortgages on Page 27664

FILE \$15.00

Evelyn Biehn - County Clerk

By Pauline Mullendor

My appointment expires \_\_\_\_\_

**REQUEST FOR RECONVEYANCE**

To Trustee:

The undersigned is the holder of the note or notes secured by this Deed of Trust. Said note or notes, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel said note or notes and this Deed of Trust, which are delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

Dated: \_\_\_\_\_

Send Reconveyance To: \_\_\_\_\_