



Deschutes County Board of Commissioners
1300 NW Wall St., Suite 200, Bend, OR 97701-1960
(541) 388-6570 - Fax (541) 385-3202 - www.deschutes.org

AGENDA REQUEST & STAFF REPORT

For Board Business Meeting of April 8, 2015

Please see directions for completing this document on the next page.

DATE: March 30, 2015

FROM: James Lewis Property & Facilities 541-385-1414

TITLE OF AGENDA ITEM:

Consideration of Board Signature of Order 2015-020, an Order for the Sale of Certain Real Property Acquired by Deschutes County.

PUBLIC HEARING ON THIS DATE? No

BACKGROUND AND POLICY IMPLICATIONS:

The attached list of properties are proposed for inclusion in the public auction of tax foreclosed and surplus County-owned land. ORS 275.110 provides that the Board will fix the minimum price for each parcel and the conditions and terms of sale.

As has been done in the past, we will offer financing for properties sold at \$20,000 or more. Property Management staff has worked with Legal Counsel, Community Development, Finance Department and the Sheriff's Office to prepare documents associated with the sale. The Community Development Department, Road Department, and the County Forester have reviewed the list of properties to be offered and find there is no reason to retain the land in county ownership.

The auction will begin at 10:00 a.m. Friday, May 29, 2015, in the Barnes Hearing Room.

FISCAL IMPLICATIONS:

If all the properties sell at the established minimum bid, the proceeds would be \$681,472. However, it is rare that all properties offered at auction are sold. Any properties that are not sold at the auction will be available for sale on a first come first served basis at the minimum bid price.

RECOMMENDATION & ACTION REQUESTED:

Staff recommends approval of Order 2015-020.

ATTENDANCE: James Lewis

DISTRIBUTION OF DOCUMENTS:

Copy to James Lewis

REVIEWED

LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

An Order for the Sale of Certain Real
Property Acquired by Deschutes County

*
*

ORDER NO. 2015-020

WHEREAS, Deschutes County has acquired title to certain real property, described in Exhibit "A," attached and incorporated by this reference, pursuant to real property tax foreclosure proceedings on file in the Circuit Court of the State of Oregon for Deschutes County and by other means, and

WHEREAS, foreclosure proceedings are completed, and tax deeds in the regular form have been executed by the Deschutes County Tax Collector and recorded in the Deed Records of Deschutes County pursuant to ORS 312.200 with respect to real properties acquired by tax foreclosure, and

WHEREAS, ORS 271.310 and 275.110 authorize the sale by the Board of County Commissioners of the real property acquired through real property tax foreclosure and other means, and

WHEREAS, the real property described in Exhibit "A," attached is not needed for County purposes and, thus, surplus, and

WHEREAS, it is in the best interests of the County to sell the real property described in Exhibit "A", and that the minimum price set forth after the description of each parcel be the minimum price for said sale; now, therefore,

THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON,
HEREBY ORDERS as follows:

Section 1. That the Deschutes County Sheriff hereby is authorized and directed, pursuant to ORS 275.120, to offer for sale the property described in Exhibit "A", attached hereto and by this reference incorporated herein, to the highest and best bidders, for cash, cashier's check or terms, or combination thereof, as determined by the Board of County Commissioners pursuant to ORS 275.190, but not less than the minimum bid hereby fixed, plus recording fees.

Section 2. That said sale is to be made at the Barnes Hearing Room, 1300 NW Wall Street, Bend, Oregon, beginning at 10:00 a.m. on Friday, May 29, 2015, and remaining open until 2:00 p.m. to allow for bidders to submit the appropriate purchase payment.

Section 3. That on the sale date, Bidders with the provisionally accepted high bid may leave the premises to obtain cash or cashier's checks but must return to the Barnes Hearing Room prior to 2:00 p.m., with no Bidder admittance after 2:00 p.m. allowed.

Section 4. That all sales shall be deemed conditional until such time as the Board of County Commissioners formally accepts or rejects said sale.

Section 5. That, if the Sheriff is unsuccessful in selling any real property listed in Exhibit "A" at said sale, said real property may be sold at private sale pursuant to ORS 275.200.

Section 6. That the Deschutes County Property Manager is authorized to take those actions reasonably calculated to efficiently and successfully conduct the aforementioned land sale, including deviation from or modification of sale procedures, when, in the opinion of the Property Manager, said deviations or modifications are justified and in accordance with all laws.

Section 7. That the Deschutes County Property and Facilities Director or the County Administrator is authorized and ordered to sign the Seller's Disclosure Statements and Sales Agreements for the County owned property to be sold at the May 29, 2015, public auction.

Section 8. That the promissory note and trust deed attached as Exhibit "B", attached and incorporated by this reference, shall be the documents authorized for sale of the properties eligible for County financing, as identified in Exhibit "A".

Dated this _____ day of April, 2015

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

ALAN UNGER, Vice Chair

ATTEST:

Recording Secretary

TAMMY BANEY, Commissioner

EXHIBIT "A"

NOTICE OF SALE

By virtue of Order No. 2015-020 adopted by the Board of County Commissioners of Deschutes County, Oregon, on April 8, 2015, authorizing the sale of real property under ORS 271.310 and 275.110, notice is hereby given that, on **May 29, 2015**, at 10:00 a.m. in the Barnes Hearing Room, 1300 NW Wall Street, Bend, Oregon, the Sheriff or his designee shall proceed to sell, at public auction to the highest and best bidder, for cash, cashier's check or terms, or combination thereof, the right and title to and interest in of Deschutes County in the real property listed below:

Parcel ID	2015-01
Assessor Account	127496
Assessor Market Value	\$81,525.00
Map and Taxlot	151316AA00600
Property Address	205 SW Black Butte Blvd., Redmond, OR 97756
Minimum Bid	\$56,800.00
Comments	SOLD AS IS. Older one-story home with attic, 1100 sf.

Parcel ID	2015-02
Assessor Account	172130
Assessor Market Value	\$32,410.00
Map and Taxlot	151320CB03500
Property Address	2429 Valleyview Dr. Redmond, OR 97756
Minimum Bid	\$29,200.00
Comments	Vacant, platted residential lot in the City of Redmond with paved street and utilities.

Parcel ID	2015-03
Assessor Account	130285
Assessor Market Value	\$45,000.00
Map and Taxlot	151330BA01300
Property Address	3197 SW 45 th St., Redmond, OR 97756
Minimum Bid	\$40,000.00
Comments	Vacant, platted residential lot in the City of Redmond with paved street and utilities.

Parcel ID	2015-04
Assessor Account	150790
Assessor Market Value	\$170,000.00
Map and Taxlot	1611250001200
Property Address	64835 Bill Martin Rd, Bend, OR 97701
Minimum Bid	\$124,000.00
Comments	Vacant rural parcel. Includes Conditional Use Permit for nonfarm dwelling.

Parcel ID	2015-05
Assessor Account	242392
Assessor Market Value	\$10,000.00
Map and Taxlot	161316AC01300
Property Address	23010 Brushline Ct., Bend, OR 97701
Minimum Bid	\$8,000.00
Comments	Vacant platted lot in Pronghorn Destination Resort.

EXHIBIT "A"

Parcel ID	2015-06
Assessor Account	180241
Assessor Market Value	\$13,420.00
Map and Taxlot	1811120000300
Property Address	Unassigned Address, Century Drive (City of Bend)
Minimum Bid	\$20,00.00
Comments	Vacant land. May not have utility access.

Parcel ID	2015-07
Assessor Account	109835
Assessor Market Value	\$82,765.00
Map and Taxlot	181136D005900
Property Address	59610 Navajo Circle, Bend, OR 97702
Minimum Bid	\$47,200.00
Comments	SOLD AS IS. Platted lot with older single family dwelling.

Parcel ID	2015-08
Assessor Account	180752
Assessor Market Value	\$14,640.00
Map and Taxlot	181204D000990
Property Address	Unassigned address (SE 9 th St., Bend, OR
Minimum Bid	\$4,800
Comments	Vacant parcel. Will require a 10 foot right of way dedication along SE 9 th St. with site development. Limited building area.

Parcel ID	2015-09
Assessor Account	115866
Assessor Market Value	\$30,000.00
Map and Taxlot	201012C006300
Property Address	16849 Fontana Rd., Bend, OR 97707
Minimum Bid	\$7,200.00
Comments	Vacant platted residential lot. Area of high groundwater and septic denial. Buyer must treat wildfire fuels. Property may not be developable due to inability to place an on-site sanitary wastewater system.

Parcel ID	2015-10
Assessor Account	137547
Assessor Market Value	\$35,535.00
Map and Taxlot	201025B006600
Property Address	55467 Jamie Way, Bend, OR 97707
Minimum Bid	\$4,000.00
Comments	Vacant platted residential lot. Area of high groundwater and septic denial. Buyer must treat wildfire fuels. Property may not be developable due to inability to place an on-site sanitary wastewater system.

EXHIBIT "A"

Parcel ID	2015-11
Assessor Account	137566
Assessor Market Value	\$38,380.00
Map and Taxlot	201025B006700
Property Address	55473 Jamie Way, Bend, OR 97707
Minimum Bid	\$4,000.00
Comments	Vacant platted residential lot. Area of high groundwater and septic denial. Buyer must treat wildfire fuels. Property may not be developable due to inability to place an on-site sanitary wastewater system.

Parcel ID	2015-12
Assessor Account	137565
Assessor Market Value	\$44,175.00
Map and Taxlot	201025B006800
Property Address	55481 Jamie Way, Bend, OR 97707
Minimum Bid	\$4,000.00
Comments	Vacant platted residential lot. Area of high groundwater and septic denial. Buyer must treat wildfire fuels. Property may not be developable due to inability to place an on-site sanitary wastewater system.

Parcel ID	2015-13
Assessor Account	137564
Assessor Market Value	\$68,370.00
Map and Taxlot	201025B006900
Property Address	55483 Jamie Way, Bend, OR 97707
Minimum Bid	\$4,000.00
Comments	Vacant platted residential lot. Area of high groundwater and septic denial. Buyer must treat wildfire fuels. Property may not be developable due to inability to place an on-site sanitary wastewater system.

Parcel ID	2015-014
Assessor Account	126233
Assessor Market Value	\$23,210.00
Map and Taxlot	201130A002100
Property Address	17415 Cedar Ct., Bend. OR 97707
Minimum Bid	\$4,000.00
Comments	Vacant platted residential lot. Area of high groundwater and septic denial. Buyer must treat wildfire fuels. Property may not be developable due to inability to place an on-site sanitary wastewater system.

EXHIBIT "A"

Parcel ID	2015-15
Assessor Account	126231
Assessor Market Value	\$23,210.00
Map and Taxlot	201130A002300
Property Address	17455 Cedar Ct., Bend. OR 97707
Minimum Bid	\$4,000.00
Comments	Vacant platted residential lot. Area of high groundwater and septic denial. Buyer must treat wildfire fuels. Property may not be developable due to inability to place an on-site sanitary wastewater system.

Parcel ID	2015-16
Assessor Account	139489
Assessor Market Value	\$36,130.00
Map and Taxlot	211016B008700
Property Address	Unassigned Address (Corner of Park and Yoho Drives, La Pine)
Minimum Bid	\$11,200.00
Comments	Vacant, platted residential lot. Buyer must treat wildfire fuels.

Parcel ID	2015-17
Assessor Account	140643
Assessor Market Value	\$60,300
Map and Taxlot	211029D003000
Property Address	52856 Sunrise Blvd., La Pine, OR 97739
Minimum Bid	\$19,200.00
Comments	SOLD AS IS. Platted legal lot with older single wide manufactured home.

Parcel ID	2015-18
Assessor Account	144183
Assessor Market Value	\$307,675.00
Map and Taxlot	220901A003100
Property Address	14717 N. Sugar Pine Way, La Pine, OR 97739
Minimum Bid	\$221,600.00
Comments	SOLD AS IS. Partially constructed single family dwelling. Detached garage and shop. All permits expired. Property has a Federal Tax Lien of \$190,207.89 that will be settled by the County from the proceeds of the sale.

Parcel ID	2015-19
Assessor Account	141650
Assessor Market Value	\$85,540.00
Map and Taxlot	221005A003500
Property Address	15500 Federal Rd., La Pine, OR 97739
Minimum Bid	\$16,000.00
Comments	SOLD AS IS. Platted legal lot with older double wide manufactured home

EXHIBIT "A"

Parcel ID	2015-20
Assessor Account	115298
Assessor Market Value	\$32,410.00
Map and Taxlot	221016B000414
Property Address	15656 6 th St., La Pine, OR 97739
Minimum Bid	\$20,000.00
Comments	Vacant, land. Had sand filter septic feasibility approved in 2006.

Parcel ID	2015-21
Assessor Account	152289
Assessor Market Value	\$53,660.00
Map and Taxlot	2219000001200
Property Address	Unassigned address (Frederick Butte Area)
Minimum Bid	\$22,272.00
Comments	Vacant rural land. May not have legal access. Surrounded by USA/BLM.

All prospective bidders shall register the day of the sale, or in person with the Deschutes County Property Manager any business day between May 21, 2015 and May 27, 2015 at 14 NW Kearney Avenue, Bend, Oregon, between the hours of 9:00 a.m. and 2:00 p.m.; by fax at (541) 317-3168; or by E-mail to james.lewis@deschutes.org, by providing a completed bidders registration form that includes bidder's legal name, physical address, mailing address and telephone number. Bidders must provide an acceptable picture I.D. on the day of the auction prior to bidding.

Prior to 2:00 p.m. May 29, 2015, the highest bidder will pay the full balance of bidder's provisionally accepted high bid in cash or cashier's check or, for properties on which financing is available per the above list, the following terms: either equal payments over 10 years with a fixed interest rate of 4.25%; or, down payment and second/final payment in 30 days; both with a nonrefundable cash down payment of not less than 20% of the purchase price, secured by a promissory note and trust deed. Copies of the complete contract terms may be found at www.deschutes.org or a copy will be provided at \$.25 per page upon request to the County Property Manager listed above.

On the sale date, Bidders with the provisionally accepted high bid may leave the premises to obtain cash or cashier's checks but must return to the Barnes Hearing Room prior to 2:00 p.m. No admittance after 2:00 p.m. will be allowed.

Cash is defined as all legal U.S. currency. Cashier's checks must be payable to Deschutes County. Cashier's checks must be drawn on a financial institution that is authorized to do business under the laws of Oregon or the United States. If any part of the purchase price is paid with a cashier's check the purchaser will be given a receipt in lieu of a certificate of sale until verification from the financial institution that final settlement has been made on the cashier's check. Upon receiving such verification, the purchaser will receive a certificate of sale. If any part of the purchase price is paid through the contract for terms, the purchaser will be given a certificate of sale that includes the terms and will be required to sign a promissory note for which a trust deed will be recorded.

The highest offer for any parcel that is equal to or exceeds the minimum bid price shall be conditionally accepted as of the close of bidding for that parcel. Upon conditional acceptance of an offer at the time of the sale, the sale as to that parcel shall be deemed closed. The Board of County

EXHIBIT "A"

Commissioners may authorize the sale of any real property not sold at this auction to be sold by private sale pursuant to ORS 275.200. Additionally, Deschutes County reserves the right to remove any property from the auction list at or before the auction.

ALL PARCELS ARE SOLD AS IS. Potential bidders should thoroughly investigate all aspects of a property prior to bidding. Deschutes County has not surveyed the aforementioned real properties and makes no representation as to boundaries, encroachments or encumbrances. Deschutes County does not guarantee or warrant that any parcel is buildable, suitable for septic system, has legal access, is vacant or is usable for any particular purpose. The County shall not warrant or defend the fee simple title of real property offered for sale to be free of defects or encumbrances, but will only sell and convey such interest as the County acquired by foreclosure or other means and holds at the time of sale. Furthermore, conveyance is subject to all valid, recorded easements, road right of way dedications and the right of any municipal corporation to purchase such property pursuant to State law and subject to the right of the Board of County Commissioners to reject any and all bids.

SOME PROPERTY WILL BE SOLD SUBJECT TO BUYER AGREEING TO ELIMINATE THE WILDFIRE FUELS.

SOME PROPERTY WILL BE SOLD SUBJECT TO BUYER AGREEING THAT SUCH PROPERTY IS UNDEVELOPABLE DUE TO THE INABILITY FOR AN ON-SITE SANITARY WASTEWATER DISPOSAL SYSTEM.

An example of the Fuels Management Agreement is available for review on the Deschutes County website (www.deschutes.org) and at the office of Deschutes County Property Management, 14 NW Kearney Avenue, Bend, Oregon. Packets of tax lot maps may be viewed through the website address above or purchased from the Deschutes County Property Management Department at the above address. ***For information on the land sale auction, contact Deschutes County Property Management at (541) 330-4656.***

The sale location is wheelchair accessible. Materials are available in alternative formats. For the deaf or hard of hearing, an interpreter or assistive listening system will also be provided with 48 hours notice. To arrange for these services, please contact Risk Management at (541) 330-4631.

LARRY BLANTON
Deschutes County Sheriff

By _____,
_____, Civil Technician

Published in Bend Bulletin

Date of First and Successive Publications: April 22, 2015, April 29, 2015, May 6, 2015

Date of Last Publication: May 13, 2015

EXHIBIT "B"

REVIEWED
_____ LEGAL COUNSEL

NOTE

PARTIES:

Promisor: **«BUYERFIRSTNAME» «BUYERMIDDLENAME» «BUYERLASTNAME»**
 «BuyerAddress1»
 «BuyerCityStateZip»

Promisee: **DESCHUTES COUNTY**, a political subdivision of the State of Oregon
 Finance Department
 PO Box 6605
 Bend, Oregon 97708-6005

FOR VALUE RECEIVED, Promisor promises to pay Promisee, at Promisee's order, the purchase price, which consists of the principal sum of this note plus the twenty percent (20%) previously paid to Promisee as a down payment, for the real property commonly known as («SitusAddress») and legally described as:

«LegalDescription»

in the principal sum of «AmountFinanced» with interest on the unpaid principal balance from _____, until paid, at the rate of four and one-quarter per cent (4.25%) per annum. Principal and interest shall be payable to Deschutes County Treasurer, Finance Department, PO Box 6005, Bend, Oregon 97708-6005, or such other place as Promisee may designate, in consecutive monthly installments of _____/100 DOLLARS (\$_____), on the 1st day of each month beginning _____. Such monthly installments shall continue until the entire indebtedness evidenced by this Note is fully paid, except that any remaining indebtedness, if not sooner paid, shall be due and payable on _____. Promisee acknowledges receipt of a down payment in the amount of «DownPayment».

If any monthly installment under this Note is not paid when due and remains unpaid after a date specified by a notice to Promisor, the entire principal amount outstanding and accrued interest thereon shall at once become due and payable at the option of Promisee. The date specified shall not be less than thirty days from the date such notice is mailed. Promisee may exercise this option to accelerate during any default by Promisor regardless of any prior forbearance.

Promisor shall pay to Promisee a late charge of five per cent (5%) of any monthly installment not received by Promisee within ten (10) days after the installment is due. Such late charge shall be paid on demand and Promisee may add such late charge to the principal balance of the Note.

Promisor may prepay the principal amount outstanding in whole or in part. Promisee may require that any partial prepayments (i) be made on the date monthly installments are due and (ii) be in the amount of that part of one or more monthly installments which would be applicable to principal. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments, unless Promisee shall otherwise agree in writing.

EXHIBIT "B"

All persons liable either now or hereafter for payment of this Note severally waive presentment, demand for payment and notice of nonpayment. This Note shall be the joint and several obligation of all persons liable for payment of this Note, and shall be binding upon them and their successors and assigns.

Any notice to Promisor provided for in this Note shall be given by mailing such notice by certified mail addressed to Promisor at the address set forth under Promisor's name, or to such other address as Promisor may designate by notice to Promisee. Any notice to Promisee shall be given by mailing such notice by certified mail, return receipt requested, to Promisee at the address set forth under Promisee's name, or at such other address as may have been designated by notice to Promisor.

This obligation is secured by a real estate Trust Deed, Deschutes County Document _____, with power of sale, of even date herewith, and is subject to all of the terms and conditions of such Trust Deed.

If this Note is placed in the hands of an attorney, Promisor agrees to pay the reasonable fee and expenses of such attorney even though no suit or action is instituted or no sale of the property has been directed under the terms of the real estate Trust Deed securing this obligation. Such fees, expenses and costs may, at Promisee's option, be added to the principal balance of this Note.

Failure to exercise any option to declare default or accelerate the balance due hereon shall not constitute a waiver of the right to exercise the same in the event of any subsequent default. Modification of the terms of payment of this Note made at the request of any person liable thereof shall not impair such person's liability or the liability of any other person now or hereafter liable for the payment hereof.

In the event that a building permit or a manufactured home placement permit is issued on the premises identified in the Trust Deed, this Note immediately becomes due and payable.

Promisor acknowledges that based upon Promisor's own inspection and investigation, Promisor is satisfied that the premises identified in the Trust Deed do not now contain any amounts of hazardous, toxic, radioactive or other substances for which a property owner or operator may be liable under state or federal environmental pollution or health and safety laws.

Accordingly, Promisor agrees that, as between Promisee and Promisor, Promisor will assume responsibility and liability and shall indemnify Promisee for any release or discharge of hazardous, toxic, radioactive or other dangerous substances regulated under state or federal pollution control laws found hereafter on, in or about the premises identified in the Trust Deed.

NOTICE TO THE PROMISOR

DO NOT SIGN THIS NOTE BEFORE YOU READ IT. THIS NOTE AUTHORIZES THE PROMISEE TO REFUSE TO ACCEPT PARTIAL PREPAYMENTS WHICH ARE NOT TENDERED ON THE DATE MONTHLY INSTALLMENTS ARE DUE AND WHICH ARE NOT IN THE AMOUNT OF THAT PART OF ONE OR MORE INSTALLMENTS WHICH WOULD BE APPLICABLE TO PRINCIPAL. CAUTION: READ BEFORE SIGNING.

EXHIBIT "B"

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

PROMISOR:

Date: _____

PROMISEE:

DATED this ____ day of _____, 2015

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

ATTEST:

ALAN UNGER, Vice Chair

Recording Secretary

TAMMY BANEY, Commissioner

EA

NO PART OF ANY STEVENS-NESS FORM MAY BE REPRODUCED IN ANY FORM OR BY ANY ELECTRONIC OR MECHANICAL MEANS.



TRUST DEED

STATE OF OREGON, }
County of _____ } ss.

I certify that the within instrument was received for recording on _____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ and/or as fee/file/instrument/microfilm/reception No. _____, Records of this County.

SPACE RESERVED FOR RECORDER'S USE

Witness my hand and seal of County affixed.

NAME TITLE

By _____, Deputy.

Grantor's Name and Address
Beneficiary's Name and Address
After recording, return to (Name, Address, Zip):

THIS TRUST DEED, made on _____, between _____, as Grantor, _____, as Trustee, and _____, as Beneficiary,

WITNESSETH:

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

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in any way now or hereafter appertaining, and the rents, issues and profits thereof, and all fixtures now or hereafter attached to or used in connection with the property.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of _____

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, if not sooner paid, to be due and payable on _____.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of the note becomes due and payable. Should the grantor either agree to, attempt to, or actually sell, convey, or assign all (or any part) of the property, or all (or any part) of grantor's interest in it without first obtaining 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. The execution by grantor of an earnest money agreement** does not constitute a sale, conveyance or assignment.

To protect the security of this trust deed, grantor agrees:

- 1. To protect, preserve and maintain the property in good condition and repair; not to remove or demolish any building or improvement thereon; and not to commit or permit any waste of the property.
- 2. To complete or restore properly and in good and habitable condition 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 the 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 the 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 property against loss or damage by fire and other hazards, as the beneficiary may from time to time require, in an amount not less than \$_____ written by one or more companies acceptable to the beneficiary, with loss payable to the latter. All policies of insurance shall be delivered to the beneficiary as soon as issued. If the grantor shall fail for any reason to procure any such insurance and to deliver the policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on the buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of 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 act done pursuant to such notice.

5. To keep the property free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against the property before any part of such taxes, assessments and other charges becomes past due or delinquent and 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 hereby, 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 arising from breach of any of the covenants hereof. For such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described. All such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable and shall 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 and attorney fees actually incurred.

7. To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee; and if any suit, action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of this deed or any suit or action related to this instrument, including but not limited to its validity and/or enforceability, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney fees. The amount of attorney fees mentioned in this paragraph in all cases shall be fixed by the trial court, and in the event of an 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 fees on such appeal.

It is mutually agreed that:

8. In the event that any portion or all of the 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 monies payable as compensation for such taking which are in excess of the amount required to pay all reasonable costs, expenses and attorney fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first to pay any reasonable costs and expenses and attorney fees, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby. Grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation promptly upon beneficiary's request.

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 890.505 to 890.585.
*Washington: 12 USC 1701j-3 regulates and may prohibit exercise of this option.
**The publisher suggests that such an agreement address the issue of obtaining beneficiary's consent in complete detail.