

433880-02
WHEN RECORDED MAIL TO
FIRST TECHNOLOGY FEDERAL CREDIT UNION
PO BOX 2100, BEAVERTON, OR 97075

87261 09-01-94 ATO:42 RCVD MTL 33633-JW
SPACE ABOVE THIS LINE FOR RECORDER'S USE

Vol. 194 Page 27445

DEED OF TRUST
(LINE OF CREDIT TRUST DEED)

DATED: 8/15/1994

BETWEEN: JAMES O'BRIEN (OWNER)

whose address is: 2790 SW 216th Ave, Aloha, OR 97006

("Trustor," hereinafter "Grantor,")

AND: FIRST TECHNOLOGY FEDERAL CREDIT UNION

whose address is: PO BOX 2100, BEAVERTON, OR 97075

Beneficiary ("Credit Union,")

AND: MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY

("Trustee.")

Grantor conveys to Trustee for benefit of Credit Union as beneficiary all of Grantor's right, title, and interest in and to the following described real property (the Real "Property"), together with all existing or subsequently erected or affixed improvements or fixtures.
(Check one of the following.)

☐ This Deed of Trust is part of the collateral for the Agreement. In addition, other collateral also may secure the Agreement.
☒ This Deed of Trust is the sole collateral for the Agreement.

Lot 11 in Block 5 of Tract No. 1007, WINCHESTER, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Grantor presently assigns to Credit Union (also known as Beneficiary) all of Grantor's right, title, and interest in and to all rents, revenues, income, issues, and profits (the "Income") from the Real Property described above.

Grantor grants Credit Union a Uniform Commercial Code security interest in the Income and all equipment, fixtures, furnishings, and other articles of personal property owned by Grantor, now or subsequently attached or affixed to the Real Property described above, together with all accessions, parts, or additions to, all replacements of and all substitutions for any of such property, and together with all proceeds (including insurance proceeds and refund of premium) from any sale or other disposition (the "Personal Property"). The Real Property and the Personal Property are collectively referred to as the "Property."
(Check if Applies)

☐ There is a mobile home on the Real Property, which is covered by this security instrument, and which is and shall remain:
(Please check which is applicable)
----- Personal Property
----- Real Property

The term "indebtedness" as used in this Deed of Trust, shall mean the debt to Credit Union described above, including interest thereon as described in the credit agreement, plus (a) any amounts expended or advanced by Credit Union to discharge Grantor's obligations hereunder, and (b) any expenses incurred by Credit Union or Trustee to enforce Grantor's obligations hereunder, with interest thereon at the rate of Agreement.

The credit agreement describing the repayment terms of the indebtedness and any notes, agreements, or documents given to renew, extend or substitute for the credit agreement originally issued is referred to as "the Agreement." The rate of interest on the Agreement is subject to indexing, adjustment, renewal, or renegotiation.

The term "Borrower" is used in the Deed of Trust for the convenience of the parties, and use of that term shall not affect the liability of any such Borrower on the Agreement or create any legal or equitable interest in the Property in Borrower by reason of this Deed of Trust. Any Borrower who signs this Deed of Trust, but does not execute the Agreement (a) is cosigning this Deed of Trust only to grant and convey that Borrower's interest in the Property to Trustee under the terms of this Deed of Trust; (b) is not personally liable under the Agreement except as otherwise provided by law or contract; and (c) agrees that Credit Union on any other borrower hereunder may agree to extend, modify, forbear, release any collateral, or make any other accommodations or amendments with regard to the terms of this Deed of Trust or the Agreement, without notice to that Borrower, without that Borrower's consent and without releasing that Borrower or modifying this Deed of Trust as to that Borrower's interest in the Property.

This Deed of Trust secures (check if applicable):

☐ Line of Credit. A revolving line of credit which obligates Credit Union to make advances to Grantor in the maximum principal amount at any one time of \$ _____ until the Agreement is terminated or suspended or if advances are made up to the maximum credit limit, and Grantor complies with the terms of the Agreement stated in the Agreement. (In Oregon, for purposes of ORS 88.110, the maximum term of the Agreement, including any renewals or extensions is 30 years.) Funds may be advanced by Credit Union, repaid by Grantor, and subsequently readvanced by Credit Union in accordance with the Agreement. Notwithstanding the amount outstanding at any particular time, this Deed of Trust secures the total indebtedness under the Agreement. The unpaid balance of the line of credit under the Agreement will remain in full force and effect notwithstanding a zero outstanding balance on the line from time to time. Any principal advance under the line of credit that exceeds the amount shown above as the principal amount of the Agreement will not be secured by this Deed of Trust.

11. Security Agreement; Financing Statement

11.1 **Security Agreement.** This instrument shall constitute a security agreement to the extent any of the Property constitutes fixtures, and Credit Union shall have all of the rights of a secured party under the Uniform Commercial Code of the state in which the Real Property is located.

11.2 **Security Interest.** Upon request by Credit Union, Grantor shall execute financing statements and take whatever other action is requested by Credit Union to perfect and continue Credit Union's security interest in the Income and Personal Property of Grantor. Grantor hereby appoints Credit Union as Grantor's attorney in fact for the purpose of executing any documents necessary to perfect or continue this security interest. Credit Union may, at any time and without further authorization from Grantor, file copies or reproductions of this Deed of Trust as a financing statement. Grantor will reimburse Credit Union for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall assemble the Personal Property and make it available to Credit Union within three days after receipt of written demand from Credit Union.

11.3 **Mobile Homes.** If the Property includes mobile homes, motor homes, modular homes, or similar structures, such structures shall be and shall remain Personal Property or Real Property as stated above regardless of whether such structures are affixed to the Real Property, and, irrespective of the classification of such structures for the purpose of tax assessments, the removal or addition of axles or wheels, or the placement upon or removal from a concrete base, shall not alter the characterization of such structures.

12. Reconveyance on Full Performance.

If Grantor pays all of the indebtedness when due and otherwise performs all the obligations imposed upon Grantor under this Deed of Trust and the Agreement, Credit Union shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver a reconveyance fee or other fee required by law shall be paid by Grantor.

13. Possible Actions of Credit Union.

The Credit Union may take the following actions with respect to your Agreement under the circumstances listed below:

a. **Termination and Acceleration.** The Credit Union may terminate your Agreement and require Grantor to pay the entire outstanding balance immediately, and charge Grantor certain fees if any of the following happen:

- (1) Grantor engages in any fraud or material misrepresentation in connection with the Agreement. For example, if there are false statements or omissions on Grantor's application or financial statements.
 - (2) Grantor does not meet the repayment terms of the Agreement.
 - (3) Grantor's actions or inactions adversely affect the collateral or Credit Union's rights in the collateral. For example, if Grantor fails to: maintain insurance; pay taxes; transfer title to or sell the collateral; prevent the foreclosure of any liens; or waste of the collateral.
- b. **Suspension of Credit/Reduction of Credit Limit.** Credit Union may refuse to make additional advances on the line of credit or reduce the credit limit during any period in which the following exist or occur:
- (1) Any of the circumstances listed in a., above.
 - (2) The value of Grantor's dwelling securing the indebtedness declines significantly below its appraised value for purposes of the Agreement.
 - (3) Credit Union reasonably believes that Grantor will not be able to meet the repayment requirements of the Agreement due to a material change in Grantor's financial circumstances.
 - (4) Grantor(s) are in default under any material obligation of the Agreement and Deed of Trust.
 - (5) The maximum annual percentage rate under the Agreement is reached.
 - (6) Any government action prevents Credit Union from imposing the annual percentage rate provided for or impairs Credit Union's security interest such that the value of the interest is less than 120 percent of the credit line.
 - (7) Credit Union has been notified by government agency that continued advances would constitute an unsafe and unsound practice.

c. Change in Terms. The Agreement permits Credit Union to make certain changes to the terms of the Agreement at specified times or upon the occurrence of specified events.

14. Actions Upon Termination.

14.1 Remedies. Upon the occurrence of any termination event at any time thereafter, Trustee or Credit Union may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

- a. With respect to all or any part of the Real Property, the Trustee shall have the right to foreclose by notice and sale, and Credit Union shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.
- b. With respect to all or any part of the Personal Property, Credit Union shall have all the rights and remedies of a secured party under the Uniform Commercial Code in effect in the state in which the Credit Union is located.
- c. Credit Union shall have the right, without notice to Grantor, to take possession of the Property and collect the income, including amounts past due and unpaid, and apply the proceeds, over and above Credit Union's costs, against the indebtedness. In furtherance of this right, Credit Union may require any tenant or other user to make payments of rent or use fees directly to Credit Union. If the income is collected by Credit Union, then Grantor irrevocably designates Credit Union as Grantor's attorney in fact to endorse instruments received in payment hereof in the name of Grantor and to negotiate the same. Payments by tenants or other users to Credit Union in response to Credit Union's demand shall satisfy the obligation for which the payments are made, whether or not any proper ground exists for the demand existed. Credit Union may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

(d) Credit Union shall have the right to have a receiver appointed to take possession of the Property and apply the proceeds, over and above cost of the receivership, against the indebtedness. The receiver may serve without bond if permitted by law. Credit Union's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Credit Union shall not disqualify a person from serving as a receiver.

(e) If Grantor remains in possession of the Property after the Property is sold as provided above or Credit Union otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at will of Credit Union or the purchase of the Property and shall pay while in possession a reasonable rental for use of the Property.

(f) If the Real Property is submitted to unit ownership, Credit Union or its designee may vote on any matter that may come before the members of the association of unit owners, pursuant to the power of attorney granted Credit Union in Section 13.2.

(g) Trustee and Credit Union shall have any other right or remedy provided in this Deed of Trust, or the Note.

14.2 Sale of the Property. In exercising its rights and remedies, the Trustee or Credit Union shall be free to sell all or any part of the Property together or separately, or to sell certain portions of the Property and refrain from selling other portions. Credit Union shall be entitled to bid at any public sale on all or any portion of the Property.

14.3 Notice of Sale. Credit Union shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten days before the time of the sale or disposition.

14.4 Waiver, Election of Remedies. A waiver by any party of a breach of a provision of this Deed of Trust shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. Election by Credit Union to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor under this Deed of Trust shall not affect Credit Union's right to take actions on the indebtedness.

14.5 Attorneys' Fees; Expenses. If Credit Union institutes any suit or action to enforce any of the terms of this Deed of Trust, Credit Union shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Credit Union that are necessary at any time in Credit Union's opinion for the protection of its interest in the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the rate of the Agreement. Expenses covered by this paragraph include (without limitation) all attorney fees incurred by Credit Union whether or not there is a lawsuit, the cost of searching records, obtaining title reports including foreclosure reports, surveyors' reports, appraisal fees, title insurance, and fees for the Trustee. Attorney fees include those for bankruptcy proceedings and anticipated post-judgment collection actions.

15. Notice.

Any notice under this Deed of Trust shall be in writing and shall be effective when actually delivered or, if mailed, shall be deemed effective on the second day after being deposited as first-class, registered or certified mail, postage prepaid, directed to the address stated in this Deed of Trust. Unless otherwise required by applicable law, any party may change its address for notices by written notice to the other parties. Credit Union requests that copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust be sent to Credit Union's address, as set forth on page one of this Deed of Trust. If the Property is in California, the notice shall be as provided by Section 2924b of the Civil Code of California. If this property is in Virginia, the following notice applies: NOTICE - THE DEED OF TRUST SECURED HEREIN IS SUBJECT TO CALL IN FULL OR THE TERMS THEREOF MODIFIED IN THE EVENT OF SALE OR CONVEYANCE OF THE PROPERTY CONVEYED.

16. Miscellaneous.

16.1 Successors and Assigns. Subject to the limitations stated in this Deed of Trust, on transfer of Grantor's interest, and subject to the provisions of applicable law with respect to successor trustees, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns.

16.2 Unit Ownership Power of Attorney. If the Real Property is submitted to unit ownership, Grantor grants an irrevocable power of attorney to Credit Union to vote in its discretion on any matter that may come before the members of the association of unit owners. Credit Union shall have the right to exercise this power of attorney only after default by Grantor and may decline to exercise this power, as Credit Union may see fit.

16.3 Annual Reports. If the Property is used for purposes other than Grantor's residence, within 60 days following the close of each fiscal year of Grantor, Grantor shall furnish to Credit Union a statement of net operating income received from the Property during Grantor's previous fiscal year in such detail as Credit Union shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

16.4 Applicable Law. The law of the state in which the Property is located shall be applicable for the purpose of construing and determining the validity of this Deed of Trust and determining the rights and remedies of Credit Union on default.

16.5 Joint and Several Liability. If Grantor consists of more than one person or entity, the obligations imposed upon Grantor under this Deed of Trust shall be joint and several.

16.6 Time of Essence. Time is of the essence of this Deed of Trust.

16.7 Use.

- (a) If located in Idaho, the Property either is not more than twenty acres in area or is located within an incorporated city or village.
- (b) If located in Washington, the Property is not used principally for agricultural or farming purposes.
- (c) If located in Montana, the Property does not exceed fifteen acres and this instrument is a Trust Indenture executed in conformity with the Small Tract Financing Act of Montana.
- (d) If located in Utah, this instrument is a Trust Deed executed in conformity with the Utah Trust Deed Act, LCA 57-1-19 et seq.

16.8 Waiver of Homestead Exemption. Borrower hereby waives the benefit of the homestead exemption as to all sums secured by this Deed of Trust.

16.9 Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Credit Union in any capacity, without the written consent of Credit Union.

16.10 Substitute Trustee. Credit Union, at Credit Union's option, may from time to time acknowledge by Credit Union and recorded in the office of the county clerk of the county where the Property is located, the instrument shall contain the name of the original Credit Union, and Trustee, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee. The successor trustee shall, without conveyance of the Property, succeed to all the title, powers, and duties conferred upon the trustee herein and shall be subject to the same provisions for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

16.11 Statement of Obligation. If the Property is in California, Credit Union may collect a fee not to exceed \$50 for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

16.12 Severability. If any provision in this Deed of Trust shall be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions shall not in any way be affected or impaired.

17. Prior Indebtedness.
17.1 Prior Lien. The lien securing the indebtedness secured by this Deed of Trust is (Check which Applies)
____ Trust Deed
____ Mortgage
____ Land Sale Contract
Other (Specify) n/a

and remains secondary and inferior to the lien securing payment of a prior obligation in the form of a:

The prior obligation has a current principal balance of \$ _____ and is in the original principal amount of \$ _____

17.2 Default. If the payment of any installment of principal or any interest on the prior indebtedness is not made within the time required by the Agreement evidencing such indebtedness, Credit Union to terminate and accelerate the indebtedness and pursue any of its remedies under this Deed of Trust.

17.3 No Modifications. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Deed of Trust by which that agreement is modified, amended, extended, or renewed without the prior written consent of Credit Union. Grantor shall neither request nor accept any future advances under a prior mortgage, deed of trust, or other security agreement without the prior written consent of Credit Union.

GRANTOR

[Signature]
JAMES O'BRIEN COWAN

GRANTOR:

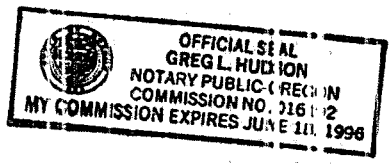
INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon

County of Washington

On this day personally appeared before me James O'Brien Cowan

to me known to be (or in California, personally known to me or proved to me on the basis of satisfactory evidence to be) the individual, or individuals described in and who executed the within and foregoing instrument, and acknowledged that he he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. Given under my hand and official seal this 15th day of August, 19 94



By [Signature]
Notary Public in and for the State of: Oregon
Residing at: Clackamas County
My commission expires: _____

REQUEST FOR FULL RECONVEYANCE
(To be used only when obligations have been paid in full)

To _____ Trustee
The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by the Deed of Trust have been fully paid and satisfied. You are hereby directed, on payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to statute, to cancel all evidence of indebtedness secured by this Deed of Trust (which are delivered to you herewith together with the Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of the Deed of Trust, the estate now held by you under the Deed of Trust. Please mail the reconveyance and related documents to:

Date _____
Credit Union: _____
By _____
Its _____

STATE OF OREGON,
County of Klamath ss.

Filed for record at request of:

Mountain Title co
on this 1st day of Sept A.D., 1994
at 10:42 o'clock A M. and duly recorded
in Vol. M94 of MORTGAGES Page 27445
By Evelyn Biehn County Clerk
[Signature]
Fee, 25.00 Deputy.