

3737 SPASTA WAY

KLAMATH FALLS, OR 97603

Send Tax Notice To:

ATC#03042711

## LINE OF CREDIT TRUST DEED

THIS LINE OF CREDIT TRUST DEED IS DATED January 4, 1995

MICHAEL E. DE BARBIERI and SHERY A. DE BARBIERI, husband and wife

AMONG

521 North 5th Street, Klamath Falls, OR 97601

whose address is 3737 Spasta Way, Klamath Falls, Oregon (referred to below as "Grantor");  
 HIGHLAND COMMUNITY FEDERAL CREDIT UNION, whose address is 3737 Spasta Way, Klamath Falls, Oregon (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and ABBEN TITLE & ESCROW, INC., whose address is 525 Main St., Klamath Falls, Oregon 97601 (referred to below as "Trustee").

## 1. CONVEYANCE AND GRANT.

For valuable consideration, Grantor conveys to Trustee for the benefit of Lender as Beneficiary all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in Klamath County, State of Oregon, (the "Real Property").

The S $\frac{1}{2}$  of Lots 4 and 5, Block 43, FIRST ADDITION TO THE CITY OF KLAMATH FALLS, in the County of Klamath, State of Oregon.

Code 1 Map 3809-32BA TL 2000

The Real Property or its address is commonly known as 521 North 5th Street, Klamath Falls, OR 97601

Grantor presently assigns to Lender (also known as Beneficiary in this Line of Credit Trust Deed) all of Grantor's right, title, and interest in any improvements and to the Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Rents and the Personal Property defined below.

## 2. DEFINITIONS

The following words shall have the following meanings when used in the Line of Credit Trust Deed:

a. Agreement. The word "Agreement" means the Extension Credit Account Agreement dated January 4, 1995 in the maximum principal amount at any one time of \$ 16,000.00.

b. Beneficiary. The word "Beneficiary" means Highland Community Federal Credit Union (Credit Union), its successors or assigns, also referred to as "Lender" in this Line of Credit Trust Deed.

c. Line of Credit Trust Deed. The words "Line of Credit Trust Deed" mean this Line of Credit Trust Deed among Grantor, Lender, and Trustee, and include without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

d. Grantor. The word "Grantor" means any and all persons and entities executing this Line of Credit Trust Deed.

e. Improvements. The word "Improvements" means and includes without limitation all existing and future improvements, fixtures, buildings, structures, mobile homes attached on the Real Property, facilities, additions and similar construction on the Real Property.

f. Indebtedness. The word "Indebtedness" means all principal and interest payable under the Agreement and any amounts advanced or expended by Lender to discharge obligations of Grantor or expenses incurred by Trustee or Lender to enforce obligations of Grantor under this Line of Credit Trust Deed, together with interest on such amounts as provided in this Line of Credit Trust Deed. This Line of Credit Trust Deed secures a line of credit. The term "Line of Credit" means a revolving line of credit which obligates Lender to make advances to Grantor in the maximum principal amount at any one time as set forth above 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. 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 Line of Credit Trust Deed secures the said 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 is the principal amount of the Agreement will not be secured by this Line of Credit Trust Deed. The term of the Agreement is thirty (30) years.

g. Lender. The word "Lender" means Highland Community Federal Credit Union, its successors or assigns.

h. Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property owned by Grantor, now or hereafter attached or affixed to the Real Property; together with all accessories, parts, and additions to all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refund premiums) from any sale or other disposition of the Property.

i. Property. The word "Property" means collectively the Real Property and the Personal Property.

j. Real Property. The words "Real Property" mean the property, interests and rights described above in the "Conveyance and Grant" section.

k. Related Documents. The words "Related Documents" mean and include without limitation all advance vouchers, loan agreements, guarantees, security agreements, mortgages, deeds of trust, and all other documents, whether now or hereafter existing, executed in connection with Grantor's indebtedness to Lender.

l. Rents. The word "Rents" means all rents, revenues, income, issues, and profits from the Property financed under an Equity Loan only.

THIS LINE OF CREDIT TRUST DEED, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF GRANTOR UNDER THE AGREEMENT AND THIS LINE OF CREDIT TRUST DEED. THIS LINE OF CREDIT TRUST DEED IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

LINE OF CREDIT TRUST DEED - 1

PAYMENT AND PERFORMANCE

Grantor shall pay to Lender all amounts secured by this Line of Credit Trust Deed as they become due, and shall strictly perform all of Grantor's obligations under the Agreement and Line of Credit Trust Deed.

4. POSSESSION AND MAINTENANCE OF THE PROPERTY.

Grantor agrees that its possession and use of the Property shall be governed by the following provisions:

- a. **Possession and Use.** Unless and until Lender takes any action under paragraph 17, Grantor may (i) remain in possession and control of the Property, and (b) operate and manage the Property. The following provisions relate to the use of the Property or to other limitations on the Property.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR RECEIVING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

- b. **Duty to Maintain.** Grantor shall maintain the Property in tenantable condition and promptly perform all repairs and maintenance necessary to preserve its value.

- c. **Hazardous Substances.** Grantor represents and warrants that the Property never will be so long as this Line of Credit Trust Deed remains a lien on the Property, used for the generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous substance, as those terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act ("SARA"), applicable state laws or regulations adopted pursuant to any of the foregoing. Grantor authorizes Lender and its agents to enter upon the Real Property to make such inspections and tests as Lender may deem appropriate to determine compliance of the Property with this paragraph. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. Grantor agrees to indemnify and hold Lender harmless against any and all claims and losses resulting from a breach of this paragraph of the Line of Credit Trust Deed. This obligation to indemnify shall survive the payment of the indebtedness and the satisfaction of this Line of Credit Trust Deed.

- d. **Nuisance, Waste.** Grantor shall not cause, condone or permit any nuisance nor commit or suffer any strip or waste on or to the Property or any portion thereof. Specifically without limitation, Grantor will not remove, or grant to any other party the right to remove any timber, minerals (including oil and gas), soil, gravel or rock products without the prior written consent of Lender.

- e. **Lender's Right to Enter.** Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interest and to inspect the Property for purposes of Grantor's compliance with the terms and conditions of this Line of Credit Trust Deed.

- f. **Compliance with Governmental Requirements.** Grantor shall promptly comply with all laws, ordinances, and regulations of all governmental authorities applicable to the use or occupancy of the Property. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor notifies Lender in writing prior to doing so and so long as Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security reasonably satisfactory to Lender, to protect Lender's interest.

- g. **Duty to Protect.** In addition to the acts set forth above in this section, Grantor shall do all other acts that from the character and use of the Property are reasonably necessary to protect and preserve the Property.

5. INDEMNITY.

Grantor shall indemnify Lender and hold Lender harmless from any and all claims or liabilities arising out of or in connection with the Property or its use, provided that such claims or liabilities arise out of acts or omissions occurring subsequent to the date Grantor first took title to the property.

6. DUE ON SALE - CONSENT BY LENDER.

Grantor shall not sell, or transfer its interest in the Real Property or any interest or part thereof, without the Lender's prior written consent. A sale, assignment, or transfer means the conveyance of real property or any right, title or interest therein, whether legal or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of real property interest. Transfer also includes any change in ownership of more than fifty percent (50%) of the interests of Grantor. However, this option shall not be exercised by Lender if exercise is prohibited by federal law or by Oregon law.

7. LEASES - CONSENT REQUIRED.

For Equity Loans secured by this Line of Credit Trust Deed, Grantor may lease or sublet the Property. However, Grantor shall not lease or sublet the Property without Lender's prior written consent which shall not be withheld unreasonably. Lender shall have not more than ten (10) days to reject any such transaction proposed by Grantor, and the transfer shall be deemed approved if such ten (10) day period. For lines of credit secured by this Line of Credit Trust Deed, Grantor may not lease or sublet the Property. Grantor represents and agrees that the Property will remain owner-occupied.

8. TAXES AND LIENS.

The following provisions relating to the taxes and liens on the Property are a part of this Line of Credit Trust Deed.

- a. **Payment.** Grantor shall pay when due before they become delinquent all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay all taxes, special taxes, assessments, charges and impositions levied against or on account of the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Line of Credit Trust Deed, except for the lien of taxes and assessments current but not yet due, except as otherwise provided in this Line of Credit Trust Deed. If Grantor objects in good faith to the validity or amount of any tax, assessment, or related lien, Grantor at its sole expense may contest the validity and amount of the tax, assessment, or lien.

- b. **Evidence of Payment.** Grantor shall upon demand furnish to Lender evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

9. PROPERTY DAMAGE INSURANCE.

The following provisions relating to insuring the Property are a part of this Line of Credit Trust Deed.

- a. **Maintenance of Insurance.** Grantor shall procure and maintain policies of fire insurance with stand and extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount not less than the total unpaid balance on the Agreement, and with a standard mortgagee clause in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverage will not be cancelled or discontinued without at least ten (10) days prior written notice to Lender.

- b. **Application of Proceeds.** In the event that the improvements are damaged or destroyed by casualty, Grantor shall promptly restore the improvements and Lender shall make the insurance proceeds available to Grantor for restoration, subject to the following conditions: (a) Lender shall have reasonably determined that the improvements can be restored to as good or better condition as they were in immediately prior to the casualty on account of which such proceeds were paid; (b) Lender shall have determined that such net proceeds, together with any funds already on hand, will be sufficient to complete the restoration; (c) No default and no event of default under this Line of Credit Trust Deed shall have occurred; (d) At the time of such casualty, there are at least two (2) years to the maturity date of the Note; (e) Lender shall have approved the plans and specifications to be used in connection with the restoration, which approval shall not be unreasonably withheld, and shall be given by a disbursement agent appointed by Lender in a manner similar to that utilized for the disbursement of funds under a construction loan, including without limitation, requiring the submission of certificates of architect as to percentage of completion and the furnishing of appropriate bonds and other items as reasonably required by Lender. Net proceeds in excess of the amount necessary to complete the restoration shall, at the option of Lender, be applied to the outstanding indebtedness as a prepayment thereof.

- c. **Unexpired Insurance at Sale.** Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Line of Credit Trust Deed at any trustee's or other sale held under the provisions of this Line of Credit Trust Deed, or at any foreclosure sale of such Property.

- d. **Grantor's Report on Insurance.** Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (a) the name of the insurer; (b) the risks insured; (c) the amount of the policy; (d) the property insured, the then current replacement value of such property, and the manner of determining the value; and (e) the expiration date of the policy.

10. EXPENDITURES BY LENDER.

If Grantor fails to comply with any provision of this Line of Credit Trust Deed, or if any action or proceeding is commenced that would materially affect Lender's interest in the Property, Lender on Grantor's behalf may, but shall not be required to pay, such expenses including but not limited to taxes, insurance and maintenance costs, and at Lender's option, will (a) be payable on demand, or (b) be added to the principal balance and be payable in accordance with the Agreement. This Line of Credit Trust Deed also will secure payment of these amounts. The rights provided in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

# 11. WARRANTY; DEFENSE OF TITLE.

The following provisions relating to ownership of the Property are a part of this Line of Credit Trust Deed.

a. **Title.** Grantor warrants that (a) Grantor holds good and marketable title of record to the Property, free simple, free and clear of all liens and encumbrances other than those set forth in any policy of title insurance issued in favor of or in any title opinion given to, and accepted by, Lender in connection with this Line of Credit Trust Deed to Lender; and (b) Grantor has the full right, power, and authority to execute and deliver this Line of Credit Trust Deed to Lender.

b. **Defense of Title.** Subject to the exceptions in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title to the Property, Grantor shall be the nominal party in such action or proceeding, but Lender shall be entitled to participate in the action or proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor shall deliver, or cause to be delivered, to Lender such instruments as may be requested by it from time to time to permit such participation.

c. **Compliance With Laws.** Grantor warrants that its use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

# 12. CONDEMNATION.

The following provisions relating to proceedings in condemnation are a part of this Line of Credit Trust Deed.

- a. **Application of Net Proceeds.** If all or any part of the Property is condemned, Lender shall apply the net proceeds of the award in any reasonably manner necessary to satisfy Grantor's obligations under the Agreement of this Line of Credit Trust Deed. The net proceeds of the award shall mean the award after payment of all reasonable cost, expenses, and attorney fees necessarily paid or incurred by Trustee or Lender in connection with the condemnation. However, there shall be no obligation to pay Grantor's costs, expenses or attorney fees from such awards.
- b. **Proceedings.** If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be a nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as may be requested by it from time to time to permit such participation.

# 13. IMPOSITION OF TAXES BY GOVERNMENTAL AUTHORITIES.

The following provisions relating to taxes are a part of this Line of Credit Trust Deed.

- a. **Taxes Covered.** The following shall constitute taxes to which the secured property is subject: (a) a specific tax upon this type of Line of Credit Trust Deed or upon all or any part of the indebtedness secured by this Line of Credit Trust Deed; (b) a tax on this type of Line of Credit Trust Deed chargeable against the Lender; and (c) a principal and interest tax made by a Borrower.
- b. **Remedies.** If any tax to which this section applies is enacted or becomes delinquent, or (b) to collect the tax as provided above, the Lender may, at its option, pay the tax and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

# 14. SECURITY AGREEMENT; FINANCING STATEMENTS.

The following provisions relating to this Line of Credit Trust Deed as a security agreement are a part of this Line of Credit Trust Deed.

- a. **Security Agreement.** This instrument shall constitute a security agreement to the extent any of the Property constitutes fixtures or other personal property, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code.
- b. **Security Interest.** Upon request by Lender, Grantor shall execute and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Line of Credit Trust Deed in the real property records, Lender may, at any time and without further authorization from Grantor, execute and record copies or reproductions of this Line of Credit Trust Deed as a financing Statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall assemble the Personal Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) business days after receipt of written demand from Lender.
- c. **Addresses.** The mailing address of Grantor (debtor) and the mailing address of Lender (secured party) from which information concerning the security interest granted by this Line of Credit Trust Deed may be obtained (each as required by the Uniform Commercial Code of the state where the Property is located) are as stated on the first page of this Line of Credit Trust Deed.

# 15. FURTHER ASSURANCES; ATTORNEY-IN-FACT.

The following provisions relating to further assurances are a part of this Line of Credit Trust Deed.

- a. **Further Assurances.** At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, re-filed, or re-recorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (a) the obligations of Grantor under the Agreement, this Line of Credit Trust Deed, and the Release Documents, and (b) the liens and security interests created by this Line of Credit Trust Deed on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or agreed to the contrary by Lender in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.
- b. **Attorney-in-Fact.** If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

# 16. FULL PERFORMANCE.

If Grantor pays all the indebtedness, including without limitation future advances, when due and otherwise performs all the obligations imposed upon Grantor under this Line of Credit Trust Deed and the Agreement, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor a security interest in the Rents and the Personal Property. Any reconveyance or release of the security interest shall be subject to applicable law.

# 17. POSSIBLE ACTIONS OF LENDER. The Lender may take the following actions with respect to your Agreement under the circumstances listed below:

- a. **Termination and Acceleration.** Except as set forth in the Agreement, the Lender may, without further notice, 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 Lender's right to 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 violate the terms of the collateral.
- b. **Expenditure of Credit/Reduction of Credit Limit.** Lender 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) Lender 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 is in default under any material obligations of the Agreement and Line of Credit Trust Deed;







The following miscellaneous provisions are a part of the Line of Credit Trust Deed.

a. Amendments. This Line of Credit Trust Deed may be amended by the Trust Agreement.

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- a. Amendments.** This Line of Credit Trust Deed, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Line of Credit Trust Deed. No alteration or amendment of this Line of Credit Trust Deed shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.
- b. Annual Reports.** Grantor shall furnish to Lender, upon request, a statement of net cash profit received from the Property during Grantor's previous fiscal year in such detail as Lender shall require. If cash profit shall be less than all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.
- c. Applicable Law.** This Line of Credit Trust Deed shall be governed by and construed in accordance with the laws of the State of Oregon.
- d. Caption Headings.** Caption headings in this Line of Credit Trust Deed are for convenience purposes only and are not to be used to interpret or define the provisions of this Line of Credit Trust Deed.
- e. Entire Agreement.** The parties agree that the Agreement, this Line of Credit Trust Deed and subsequent advance vouchers from Lender to Borrower, are the entire agreement between the parties and shall supersede any prior agreements between Borrower and Lender relating to the Property.
- f. Merger.** There shall be no merger of the interest or estate created by this Line of Credit Trust Deed with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.
- g. Multiple Parties.** All obligations of Grantor under this Line of Credit Trust Deed shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each of the persons signing becomes responsible for all obligations in this Line of Credit Trust Deed. It is not necessary for Lender to inquire into the powers of any of the parties or the officers, directors, partners, or agents acting or purporting to act on behalf of Grantor, and any indebtedness made or created in reliance upon the powers or exercise of such powers shall be guaranteed unconditionally and secured by this Line of Credit Trust Deed.
- h. Severability.** If a court of competent jurisdiction finds any provision of this Line of Credit Trust Deed to be invalid or unenforceable as to any other persons or circumstances, and all provisions of this Line of Credit Trust Deed in all such finding shall not render the entire agreement void or unenforceable.
- i. Successors and Assigns.** Subject to the limitations stated in this Line of Credit Trust Deed on transfer of Grantor's interest, this Line of Credit Trust Deed shall be binding upon and inure to the benefit of the parties, their successors, and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may extend the obligations of this Line of Credit Trust Deed to the Line of Credit Trust Deed and the Indebtedness by way of forbearance or extension without releasing Grantor or its successors from liability under the Indebtedness.
- j. Time is of the Essence.** Time is of the essence in the performance of this Line of Credit Trust Deed.
- k. Waiver of Homestead Exemption.** Grantor hereby releases and waives all rights and benefits of the homestead exemption and all other rights and benefits secured by this Line of Credit Trust Deed.

By the Line of Credit Trust Deed, I hereby release and waive all rights and benefits of the homestead exemption laws of the State of Oregon as to all EACH GRANTOR ACKNOWLEDGES AND HAS READ ALL THE PROVISIONS OF THIS LINE OF CREDIT TRUST DEED, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR: 

By: 

**GRANTOR:**

By: MICHAEL E. DE BARBIERI

By: Sherry A. De Barbieri  
SHERRY A. DE BARBIERI

**INDIVIDUAL ACKNOWLEDGMENT**

STATE OF OREGON

County of Klamath

) ss.

On the 5<sup>th</sup> day of January, 1995, before me and the Line of Credit Trust Deed and in fact executed the Line of Credit Trust Deed

By: Sander Handaker  
Residing at: Klamath Falls, Oregon

Notary Public in and for the State of: Oregon  
My commission expires: 7-23-91



LINE OF CREDIT TRUST DE: D

**Grantor**

**Beneficiary**

After Recording Return to (Name, Address, Zip):

SPACE RESERVED  
FOR  
RECORDER'S USE

STATE OF OREGON.

County of Klamath

I certify that the within instrument  
was received for record on the 10th day of  
Jan, 19 95, at  
3:37 o'clock P. M., and  
recorded in book/reel/volume No. M95 on  
page 721 or as fee/tier  
instrument/microfilm/reception  
No. 93459. Record of Mortgages  
of said County.

Witness my hand and seal of  
County affixed.

Bernetha G. Letsch, County Clerk  
NAME TITLE

By Pauline Mullins, Deputy

LINE OF CREDIT TRUST DEED 1.5

Fe 3 \$30.00