

After recording, return to:

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U.S. Bank Retail Finance Center

P.O. Box 3176

Portland, Oregon 97208-3176

(LINE OF CREDIT INSTRUMENT)  
DEED OF TRUST

298-107

002 - 8272.106 - 9001

(Space above this line for Recorder's use)

Date: April 24, 1998Grantor(s): ROBERT H LIGHT TRUST, AN ESTATE IN FEE  
SIMPLEAddress: 5253 Gatewood Dr  
Klamath Falls OR 97603Borrower(s): ROBERT H LIGHT AND  
IRENA P LIGHTAddress: 5253 Gatewood Dr  
Klamath Falls OR 97603Beneficiary/(Lender): U.S. BankAddress: P.O. Box 3176, Portland, OR. 97208-3176Trustee: U.S. Bank Trust Company, National AssociationAddress: 111 S.W. Fifth Avenue  
Portland, Oregon 97204

1. GRANT OF DEED OF TRUST. By signing below as Grantor, I irrevocably grant, bargain, sell and convey to Trustee, in trust, with power of sale, the following property, Tax Account Number 390914FB200, located in Klamath County, State of Oregon, more particularly described as follows:

LOT 32, BLOCK 3, TRACT NO. 1064, FIRST ADDITION TO GATEWOOD, IN THE  
COUNTY OF KLAMATH, STATE OF OREGON.

or as described on Exhibit A, which is attached hereto and by this reference incorporated herein, and all buildings and other improvements and fixtures now or later located on the Property (all referred to in this Deed of Trust as "the Property"). I also hereby assign to Lender any existing and future leases and rents from the Property as additional security for the debt described below. I agree that I will be legally bound by all the terms stated in this Deed of Trust.

2. DEBT SECURED. This Deed of Trust secures the following:

☒ a. The payment of the principal, interest, credit report fees, late charges, attorneys' fees (including any on appeal or review), collection costs and any and all other amounts, owing under a note with an original principal amount of \$ 74,400.00, dated April 24, 1998, signed by \_\_\_\_\_

Robert H Light and Irena P Light ("Borrower")  
and payable to Lender, on which the last payment is due April 15, 2018, as well as the following obligations, if any (collectively "Note"):

and any extensions and renewals of any length. The words "LINE OF CREDIT INSTRUMENT" do not apply to this Deed of Trust if this paragraph 2.a. is checked, unless paragraph 2.b. is also checked.

☐ b. The payment of all amounts that are payable to Lender at any time under a \_\_\_\_\_ dated \_\_\_\_\_, and any riders or amendments thereto ("Credit Agreement"), signed by \_\_\_\_\_

("Borrower").

The Credit Agreement is for a revolving line of credit under which Borrower may obtain (in accordance with the terms of the Credit Agreement) one or more loans from Lender on one or more occasions. The maximum principal amount to be advanced and outstanding at any one time pursuant to the Credit Agreement is \$ \_\_\_\_\_.

The term of the Credit Agreement consists of an initial period of ten years, which begins on the above-indicated date of the Credit Agreement, during which advances can be obtained by Borrower, followed by a repayment period during which Borrower must repay all amounts owing to Lender under the terms of the Credit Agreement. The length of the repayment period and the maturity date will depend on the amounts owed at the beginning of the repayment period, but it will end no later than the maturity date of \_\_\_\_\_.

This Deed of Trust secures the performance of the Credit Agreement, the payment of all loans payable to Lender at any time under the Credit Agreement, the payment of all interest, credit report fees, late charges, membership fees, attorneys' fees (including any on appeal or review), collection costs and any and all other amounts that are payable to Lender at any time under the Credit Agreement, and any extensions and renewals of any length.

☒ c. This Deed of Trust also secures the payment of all other sums, with interest thereon, advanced under this Deed of Trust to protect the security of this Deed of Trust, and the performance of any covenants and agreements under this Deed of Trust. This Deed of Trust also secures the repayment of any future advances, with interest thereon, made to Borrower under this Deed of Trust.

The interest rate, payment terms and balance due under the Note or Credit Agreement or both, as applicable, may be indexed, adjusted, renewed or renegotiated in accordance with the terms of the Note and the Credit Agreement and any extensions and renewals of the Note or Credit Agreement or both, as applicable.

### 3. INSURANCE, LIENS, AND UPKEEP.

3.1 I will keep the Property insured by companies acceptable to you with fire and theft insurance, flood insurance if the Property is located in any area which is, or hereafter will be designated as a special flood hazard area, and extended coverage insurance, if any, as follows:

#### FARMERS

The policy amount will be enough to pay the entire amount owing on the debt secured by this Deed of Trust or the insurable value of the Property, whichever is less, despite any "co-insurance" or similar provision in the policy. The insurance policies will have your standard loss payable endorsement. No one but you has a mortgage or lien on the Property, except the following "Permitted Lien(s)":

3.2 I will pay taxes and any debts that might become a lien on the Property, and will keep it free of trust deeds, mortgages and liens, other than yours and the Permitted Liens just described.

3.3 I will also keep the Property in good condition and repair and will prevent the removal of any of the improvements.

3.4 If I do not do any of these things, you may do them and add the cost to the Note or Credit Agreement as applicable. I will pay the cost of your doing these whenever you ask, with interest at the fixed or floating rate charged under the Note or Credit Agreement, whichever is higher. Even if you do these things, my failure to do them will be a default under Section 6, and you may still use other rights you have for the default.

### WARNING

Unless I provide you with evidence of the insurance coverage as required by the Credit Agreement or this Deed of Trust, you may purchase insurance at my expense to protect your interest. This insurance may, but need not, also protect my interest. If the collateral becomes damaged, the coverage you purchase may not pay any claim I make or any claim made against me. I may later cancel this coverage by providing evidence that I have obtained property coverage elsewhere.

I am responsible for the cost of any insurance purchased by you. The cost of this insurance may be added to the Note or Credit Agreement. If the cost is added to the Note or Credit Agreement, the highest rate on the underlying Note or Credit Agreement will apply to this added amount. The effective date of coverage may be the date my prior coverage lapsed or the date I failed to provide proof of coverage.

The coverage you purchase may be considerably more expensive than insurance I can obtain on my own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

4. **DUE ON SALE.** I agree that you may, at your option, declare due and payable all sums secured by this Deed of Trust if all or any part of the Property, or an interest in the Property, is sold or transferred. If you exercise the option to accelerate, I know that you may use any default remedies permitted under this Deed of Trust and applicable law. I know that you may exercise your rights under this due on sale provision each time all or any part of the Property, or an interest in the Property, is sold or transferred, whether or not you exercised your rights on any previous sales or transfers.

5. **PROTECTING YOUR INTEREST.** I will do anything that may now or later be necessary to perfect and preserve this Deed of Trust and I will pay all recording fees and other fees and costs involved.

6. **DEFAULT.** It will be a default:

6.1 If you do not receive any payment on the debt secured by this Deed of Trust when it is due;

6.2 If I commit fraud or make any material misrepresentation in connection with my loan application, the Note or Credit Agreement, this Deed of Trust, or any aspect of my line of credit. For example, it will be a default if I give you a false financial statement, or if I do not tell you the truth about my financial situation, about the Property that is subject to this Deed of Trust, or about my use of the money I obtained from you through the Note or line of credit;

6.3 If any action or inaction by me adversely affects your security for the Note or Credit Agreement, including, but not limited to, the following:

- a. If all or any part of the Property, or an interest in the Property, is sold or transferred;
- b. If I fail to maintain required insurance on the Property;
- c. If I commit waste on the Property or otherwise destructively use or fail to maintain the Property;
- d. If I die;
- e. If I fail to pay taxes or any debts that might become a lien on the Property;

f. If I do not keep the Property free of deeds of trust, mortgages and liens, other than this Deed of Trust and other Permitted Liens I have already told you about;

g. If I become insolvent or bankrupt;

h. If any person forecloses or declares a forfeiture on the Property under any land sale contract, or forecloses any Permitted Lien or other lien on the Property; or

i. If I fail to keep any agreement or breach the warranties, representations or covenants I am making to you in this Deed of Trust about hazardous substances on the Property.

7. **YOUR RIGHTS AFTER DEFAULT.** After a default, you will have the following rights and may use any one, or any combination of them, at any time.

7.1 You may declare the entire secured debt immediately due and payable all at once without notice.

7.2 Subject to any limitations imposed by applicable law, either before or after a sale of the Property under a judicial foreclosure, or before a sale of the Property by advertisement and sale, you may sue for and recover from Borrower all amounts remaining under the Credit Agreement, under the Note, and under this Deed of Trust.

7.3 You may foreclose this Deed of Trust under applicable law either judicially by suit in equity or nonjudicially by advertisement and sale.

7.4 You may have any rents from the Property collected and pay the amount received, over and above costs of collection and other lawful expenses, on the debt secured by this Deed of Trust.

7.5 I will be liable for all reasonable collection costs you incur, to the full extent allowed by law. If you foreclose this Deed of Trust either judicially by suit in equity or nonjudicially by advertisement and sale, I will also be liable for your reasonable attorney fees including any on appeal or review.

7.6 You may use any other rights you have under the law, this Deed of Trust, or other agreements, including but not limited to any Note or Credit Agreement.

### 8. HAZARDOUS SUBSTANCES.

8.1 Except as previously disclosed to you in writing, I represent and warrant to you that no hazardous substance is stored, located, used or produced on the Property, and that to the best of my knowledge, after due and diligent inquiry, no hazardous substance is stored, located, used or produced on any adjacent Property, nor has any hazardous substance been stored, located, used, produced, or released on the Property or any adjacent property prior to my ownership, possession or control of the Property.

8.2 I will not cause or permit any activity on the Property that directly or indirectly could result in the release of any hazardous substance onto or under the Property or any other property. I agree to provide written notice to you immediately when I become aware that the Property or any adjacent property is being or has been subjected to a release of any hazardous substance.

8.3 You and your representatives may enter the Property at any time for the purpose of conducting an environmental audit, committing only such injury to the Property as may be necessary to conduct the audit. You shall not be required to remedy any such injury or compensate me therefor. I shall cooperate in all respects in the performance of the audit. I shall pay the costs of the audit if either a default exists under this Deed of Trust at the time you arrange to have the audit performed or if the audit reveals a default pertaining to hazardous substances. If I refuse to permit you or your representatives to conduct an environmental audit on the Property, you may specifically enforce performance of this provision.

8.4 I will indemnify and hold you harmless from and against any and all claims, demands, liabilities, lawsuits and other proceedings, damages, losses, liens, penalties, fines, clean-up and other costs, expenses, and attorney fees (including any on appeal or review) arising directly or indirectly from or out of, or in any way connected with (i) the breach of any representation, warranty, covenant, or agreement concerning hazardous substances contained in this Deed of Trust or in any other document executed by me in connection with the debt secured by this Deed of Trust; (ii) any release onto or under the Property or other property of any hazardous substance that occurs as a direct or indirect result of acts or omissions by me or my agents or independent contractors; and (iii) any release onto or under the Property of any hazardous substance that occurs during my ownership, possession, or control of the Property.

8.5 If you shall at any time, through the exercise of any of your remedies under this Deed of Trust, or by taking a deed in lieu of foreclosure, hold title to or own the Property in your own right, you may, at your option, convey the Property to me. I covenant and agree that I shall accept delivery of any instrument of conveyance and resume ownership of the Property in the event you exercise your option hereunder to convey the Property to me. You, at your sole discretion, shall have the right to record any instrument conveying the Property to me and such recordation shall be deemed acceptance by me of the instrument and the conveyance.

8.6 All of my representations, warranties, covenants and agreements contained in this Deed of Trust regarding any hazardous substance, including but not limited to my agreement to accept conveyance of the Property from you and to resume ownership, shall survive foreclosure of this Deed of Trust or acceptance by you of a deed in lieu of foreclosure.

8.7 For purposes of this Deed of Trust, the term "hazardous substance" means any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material or hazardous, toxic or radioactive substance (or designated by any other similar term) by any applicable federal, state or local statute, regulation or ordinance now in effect or in effect at any time during either the term of this Deed of Trust or the period of time I remain in possession, custody, or control of the Property following either foreclosure of this Deed of Trust or acceptance by you of a deed in lieu of foreclosure.

9. SATISFACTION OF DEED OF TRUST. When the Note or Credit Agreement or both, as applicable, are completely paid off and the Credit Agreement, as applicable, is cancelled and terminated as to any future loans, I understand that you will request Trustee to reconvey, without warranty, the Property to the person legally entitled thereto. I will pay Trustee a reasonable fee for preparation and execution of the reconveyance instrument and I will record the reconveyance at my expense.

10. CHANGE OF ADDRESS. I will give you my new address in writing whenever I move. You may give me any notices by regular mail at the last address I have given you.

11. OREGON LAW APPLIES. This Deed of Trust will be governed by Oregon law.

12. NAMES OF PARTIES. In this Deed of Trust "I", "me" and "my" mean Grantor(s), and "you" and "your" mean Beneficiary/Lender.

I agree to all the terms of this Deed of Trust.

Grantor Robert H Light

Grantor

Grantor

Grantor

Grantor

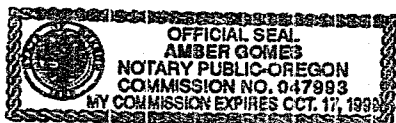
#### INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON )

County of Klamath ) ss.

Date 04-24-98

Personally appeared the above named Robert H. Light and acknowledged the foregoing Deed of Trust to be la voluntary act.



Before me:

[Signature]  
Notary Public for Oregon

My commission expires: Oct 17, 1999

#### REQUEST FOR RECONVEYANCE

TO TRUSTEE:

The undersigned is the holder of the Note or Credit Agreement or both, as applicable, secured by this Deed of Trust. The entire obligation evidenced by the Note or Credit Agreement or both, as applicable, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel the Note or Credit Agreement or both, as applicable, and this Deed of Trust, which are delivered herewith, and to reconvey, without warranty, all the estate now held by you under the Deed of Trust to the person or persons legally entitled thereto.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

# LOAN AGREEMENT AND DIRECTION TO TRUSTEE - DEED OF TRUST



Name of Trust: The Robert H. Light Trust . Executed on: June 9, 1997 .

## LOAN AGREEMENT

In consideration of the extension of credit by U. S. Bank ("Bank") to Robert H. and Irena P. Light ("Borrower") in the manner indicated in the Promissory Note dated 4-24-98 , in the principal amount of \$ 74,400.00 ("Note"), I/We, Robert H. Light , Trustor\* of the Revocable Living Trust Agreement dated June 9, 1997 ("Trust") in which Robert H. Light is Trustee,\* agrees as follows:

1. I will direct my Trustee to execute on behalf of the Trust a Deed of Trust in favor of Bank of secure repayment of the Note.
2. Bank will not be held responsible for any use of the loan proceeds by Borrower, Trustee, Trustor, or by any agent, nominee, or other person Borrower, Trustee or Trustor may have authorized or Bank may have reasonably believe has been so authorized.
3. I will notify Bank immediately of the death, incapacity, removal or resignation of Trustee, and shall promptly confirm to Bank the identity of the successor Trustee. Bank may require that notice of the death, incapacity, removal or resignation of Trustee be accompanied by evidence satisfactory to Bank.
4. Upon the death or incapacity of the Trustor (or in the case of co-Trustor, the death or incapacity of any co-Trustors) the Trustee will immediately notify Bank.
5. If for any reason the Deed of Trust is not enforceable against the Trust, this Agreement shall constitute a withdrawal by Trustor of the real property described in the Deed of Trust and my agreement as Trustor to be personally bound on the Deed of Trust to the same extent that I would be bound if I had signed the Deed of Trust individually. I will indemnify and hold Bank harmless from any demand, claim, suit or action brought by any person alleging that an act taken by Bank in reliance on this Loan Agreement and Direction to Trustee - Deed of Trust was unlawful, unauthorized, wrongful or void. In the event of any action to enforce this Agreement and Direction, Bank shall be entitled to costs and disbursements allowed by law, reasonable attorney fees in the event suit or action and/or any related appeal or petition for review.

|                 |                        |
|-----------------|------------------------|
| TRUSTOR<br>DATE | <u>Robert H. Light</u> |
| TRUSTOR<br>DATE | <u>4/24/98</u>         |

I/We Robert H. Light , Trustee of the aforementioned Trust, hereby agree to all of the provisions in the Loan Agreement.

|                 |                        |
|-----------------|------------------------|
| TRUSTEE<br>DATE | <u>Robert H. Light</u> |
| TRUSTEE<br>DATE | <u>4/24/98</u>         |

## DIRECTION TO TRUSTEE - DEED OF TRUST

Pursuant to the power retained by the Trustor to revoke or amend the Trust in whole or in part and, if applicable, to give directions to the Trustee, I hereby direct the Trustee to execute on behalf of the Trust, a Deed of Trust in favor of Bank to secure a loan by the Bank of \$ 74,400.00 to Robert H. and Irena P. Light . I direct such action for myself, my heirs, personal representatives and assigns and on behalf of all beneficiaries of the Trust whose interest in the Trust is entirely dependent upon my exercise or non-exercise of my power of revocation.

I further direct that a copy of this Loan Agreement and Direction to Trustee, with all attachments, be made an exhibit to and incorporated into the Deed of Trust.

Dated this 24 day of April, 19 98.

|                 |                        |
|-----------------|------------------------|
| TRUSTOR<br>DATE | <u>Robert H. Light</u> |
| TRUSTOR<br>DATE | <u>4/24/98</u>         |

STATE OF Oregon )  
 ) ss.

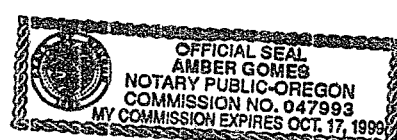
County of Klamath )

Signed or attested before me on this 24 day of April, 19 98  
by Robert H. Light.

Before me:

|                                     |  |
|-------------------------------------|--|
| NOTARY PUBLIC<br><u>Amber Gomes</u> |  |
| STATE<br><u>Oregon</u>              | MY COMMISSION EXPIRES<br><u>Oct 17, 1999</u> |

\*Hereafter, unless otherwise indicated, the singular shall be used and shall include the plural.



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**CONSENT TO BENEFICIARY OF TRUST**

For myself and my issue, I hereby consent to the execution of the Deed of Trust by the Trustee of the aforementioned Trust.

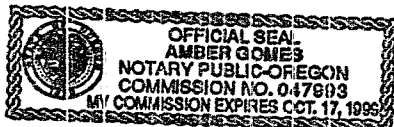
|   |
|---|
| BENEFICIARY, INDIVIDUALLY<br><i>[Signature]</i> |
| BENEFICIARY, INDIVIDUALLY                       |
| BENEFICIARY, INDIVIDUALLY                       |

STATE OF OregonCounty of Klamath

Signed or attested before me on this 24 day of  
April, 19 98, by Robert H. Light

Before me:

|                                     |   |
|-------------------------------------|---|
| NOTARY PUBLIC<br><i>[Signature]</i> |   |
| STATE<br><u>Oregon</u>              | MY COMMISSION EXPIRES<br><u>Oct. 17, 1999</u> |

**SPOUSAL CONSENT**

To be completed if spouse is not co-trustor and trust may contain community property.

I, Irena P. Light, being the spouse of the above-named Trustor, hereby acknowledge that I may have a community property and/or separate property interest in assets that have been transferred to the above-named Trust and hereby (i) confirm and ratify the creation of the Trust and the transfer of community property or separate property assets to the Trust, (ii) consent to Trustor signing above and to all acts to be performed by the Trustor and Trustee by virtue of this Loan Agreement and Direction, (iii) confirm and ratify all that Trustor and Trustee have already done which would have been authorized by this Consent, and (iv) agree that the foregoing actions and authority will benefit the community composed of Trustor and myself.

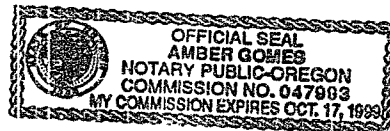
|                              |
|------------------------------|
| SPOUSE<br><i>[Signature]</i> |
| DATE<br><u>4-24-98</u>       |

STATE OF OregonCounty of Klamath

Signed or attested before me on this 24th day of  
April, 19 98, by Irena P. Light

Before me:

|                                     |  |
|-------------------------------------|--|
| NOTARY PUBLIC<br><i>[Signature]</i> |  |
| STATE<br><u>Oregon</u>              | MY COMMISSION EXPIRES<br><u>Oct 17, 1999</u> |



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of First American Title the 15th day  
of May, A.D., 19 98 at 11:07 o'clock A. M., and duly recorded in Vol. M98,  
of Mortgages on Page 16613.

FEE \$30.00

By Kathleen Ross  
Bernetha G. Letsch, County Clerk