After recording, returnato:

U.S. Bank

P.O. Box 2687 Fargo, North Dakota 58108-2687

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when Recorded Return 10:	
C.I. Title, Inc.	
203 Little Canada Rd	
Stc 200 -	
St. Paul, MN 55117	
à.	
,944, 17.	
(LINE OF CREDIT INSTRUMENT) DEED OF TRUST	
DEED UP INUS!	<u>*</u>
4514632	(Space above this line for Recorder's use)
Loan Account # 66460103963096002	n _{eter} July 9. 1999
TERRY Y. GRAENE	The state of the s
ta and the state of the state o	Address: 4328 GARY ST
	KLAMATH FALLS, OR 976037923
TEDRY GRAHAM	
and the second s	
	Address: 4325 GART 57
Beneficiary/Lender: U.S. BANK MATIONAL ASSOCIATION NO	KLAMATH FALLS, OR 976037923
Trustee U.S. BANK TRUST COMPANY, MATIONAL ASSOCIATION	Addess: 4325 17TH AVE SW. FARGO, ND 58103
TUSTORE VIOL DIEGO TROST CONTROLLY RATIONAL ASSOCIATION	The second control of
	PORTLAND, OR 97204
1. GRANT OF DEED OF TRUST. By signing below as Grantor, I errevocably or power of sale, the following property, Tax Account Number SEE ATTACH ELARATH County, State of Oregon, I	ant, bargain, se [®] and convey to Trustee, in trust, with A.,, located in
KLANATH County, State of Oregon, i	more particularly described as follows.
SEE ATTACHMENT(S) A	
or as described on Exhibit A, which is attached hereto and by this refere improvements and fixtures now or later located on the Property (all referred hereby assign to Lender any existing and future leases and rents from the I below. I agree that I will be legally bound by all the terms stated in this Deed of the terms of the legally bound by all the terms stated in this Deed of the terms.	to in this Deed of Trust as "the Property"). I also Property as additional security for the debt described
2. DEST SECURED. This Deed of Trust secures the following:	
I a. The payment of the principal, interest, credit report fees, late charges collection costs and any and all other amounts, owing under a note to 15,000.00 and only and July 9, 1999 signed by	with an original principal amount of \$
the state of the s	(*Romover*)
and payable to Lender, on which the last payment is due 07/15/14 the following obligations, if any (collectively "Note"):	, as well as
the second order of the state second state and second state.	
and any extensions and renewals of any length. The words "LINE OF CREDIT this paragraph Z.a. is checked, unless paragraph Z.b. is also checked.	I NISTRUMENT* do not apply to this Deed of Trust if
b. The payment of all amounts that are payable to Lender at any time	
Called before or on amounts that are payable to Levicer at any time.	
l'Credit Agreement"), signed by	- Committee of the second seco
	(*Borrower*)
The Credit Agreement is for a revolving line of credit under which Borrower m. Agreement) one or more loans from Lender on one or more occasions. To outstanding at any one time pursuant to the Credit Agreement is \$	ay obtain (in accordance with the terms of the Credit he maximum principal amount to be advanced and
The term of the Credit Agreement consists of an initial period of ten years, wi Agreement, during which advances can be obtained by Borrower, followed by all amounts owing to Lender under the terms of the Credit Agreement. The is writt depend on the amounts owed at the beginning of the repayment period	repayment period during which Borrower must repay ength of the repayment period and the maturity date
This Deed of Trust secures the performance of the Credit Acceptant, the nave	many of the largest many this is a surface or near some owner.

the Credit Agreement, the payment of all interest, credit report fees, late charges, membership fees, attorneys "ses 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.

[X] 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.

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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. 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 Lients)":

Liens and encumbrances of record.

Liens and encumbrances of record.

- 3.2 I will pay taxes and any debts that might become a lien on the Property, and will keep it free of trast 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 Jo 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 of this Deed of Trust, you may purchase insurance at my expense to protect your interest. 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 rist satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable

- 4. DUE ON SALE. I agree that you may, at your option, declare due and payable all sums secured by this Deed of Trest 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 the option to accelerate, I all or any exercise that you may exercise the diverse profession and applicable law. used or irust and applicable law. I know that you may exercise your rights under this due on safe 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.
- 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
- 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 maction by me adversely affects your security for the Note or Credit Agreement, including, but not

- security for the Note of Cream Agreement, inductors, but the 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 fall to maintain required insurance on the Property;

 c. If I commit waste on the Property or otherwise destructively use or fall to maintain the Property;
- If I die; If I fail to pay taxes or any debts that might become a ken
- on the Property;

 E. 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 fortestive or the
 Property under any land sale contract, or forecloses any
 Permitted Lien or other fiem on the Property, or
 ii. If I fall 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
- 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
- 7.3 You may foreclose this Deed of Trust under applicable law either judicially by suit in equity or nonjudicially by advertisement and safe
- row 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 or Trust.
- 7.5 I will be liable for all reasonable collection costs you mount 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 access 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 flote 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.
- 8.2.1 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 1 agree to provide written notice to you immediately when 1 become aware that the Property or any adjacent property is being or has been subjected to a release of any hazardous
- 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 the 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 histardous substances. If I refuse to permit you or your representatives in conduct an environmental audit on the representatives to conduct an environmental audit on the Property, you may specifically enforce performance of this CYCNASICAL.
- 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, lines, clean-up 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 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 the 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 contrail of the Property
- 8.5 If you shall at any time, through the exercise of any of storeclosure, hold title to or own the Property in your own right you may, at your option, convey the Property in you own right you may, at your option, convey the Property to me coverand 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. of the instrument and the conveyance.

8.6 All of my representations, warranties, covenants and agreaments 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 tor 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 fine 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 its fee for preparation and execution of the reconveyance instrument. If that fee does not include recording, 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 Grandorts), and "you" and "your mean Beneficiary/Lender.

I agree to all the terms of this Deed of Trust		
Topy of 21-		
Come Delin A Halon	Granter	
Grantes Grantes	Grand	
Grands		
INDIVIDUAL ACKNOWLEDGMENT		
STATE OF DRESON		
Country of Klemain ss.	7-9-59	
County of DICINATIO	Date	
Personally appeared the above named TERRY C Tayce Gralique		
and acknowledged the foregoing Deed of Trust to be		
	Before me:	
STATE OF THE PARTY	Carlie Media	
COLARY FREE DOMESTER A COLARESCEN A COLARESCEN FOR DESCRIPTION OF THE PROPERTY	Notary Public for Oregon	
	My commission expires:	
	13 13400	
REQUEST FOR RECONVEYANCE		
O TRUSTEE:		
sed of Trust, have been next in his Van	or both, as applicable, secured by this Deed of Trust. The entire as applicable, together with all other indebtedness secured by this tancel the Note or Credit Agreement or both, as applicable, and this rithout warranty, all the estate now held by you under the Deed of	
Annah mannah manah mengangan		
	Signature:	
	Committee of the second	
The second secon		

TERRY A. GRAHAM 66400103963090002 ATTACHMENT A

THE SOUTH 52 FEET OF LOT 9 AND THE NORTH 23 FEET OF LOT 10, BLOCK 1, FIRST ADDITION TO TANATEE HOMES, IN THE COUNTY OF KLAMATH, STATE OF OREGON.

> State of Oregon, County of Klamath Recorded 8/17/99, at <u>9:20 a.</u> m. In Vol. M99 Page <u>33059</u> Linda Smith, County Clerk Fee\$ 25 KL