After recording, return to: Bet: US Becausing Onc.

U.S. Bank

P.O. Box-2687, St. Taul, MN 55/17 - 9880

When Recorded Return To:

When Recorded Return To: C.I. Title, Inc. 203 Little Canada Rd Ste 200 St. Paul, MN 55117 +02+170

(LINE OF CREDIT INSTRUMENT) DEED OF TRUST

- 선생님 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	/Constt
Loan Account # 66400103895280001	(Space above this line for Recorder's us
LARRY G. CALLIES	Date: <u>July 1, 1999</u>
Grantor(s): SUSAN L. CALLIES	그런 즐겁을 됐는데 하는 사람이 하는 것이다.
	Address: 6009 MADERA DR
다다 이미를 물로 발매를 물로 발발물을 받아 보고 그는 것이 되는	KLAMATH FALLS, OR 976037633
LARRY G. CALLIES	그리는 살이 불렀다면 그는 그는 그리고 그 그래?
Borrower(s): SUSAN L. CALLIES	
	Address: 6009 MADERA DR
Beneficiary/(Lender): U.S. BANK NATIONAL ASSOCIATION ND	KLAMATH FALLS, OR 976037633
Trustee: U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION	Address: 4325 17TH AVE SW, FARGO, ND 58
ABSOCIATION	Address: 111 SW 5TH AVENUE
그리는 하다 그릇 나라 가는 것이 되어 가는 것이 하는 것이다.	PORTLAND, OR 97204
1. GRANT OF DEED OF TRUST. By signing below as Grantor, I irrevocably grapower of sale, the following property, Tax Account Number 390912BC1200 KLAMATH County, State of Oregon of County, State of Oregon of County.	ant, bargain, sell and convey to Trustee, in trust, with 00, located in nore particularly described as follows:
SEE ATTACHMENT(S) A	more particularly described as follows:
발마 전 12년 12월 12일 1일 2일 1일	
or as described on Exhibit A, which is attached hereto and by this referer 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 P below. I agree that I will be legally bound by all the terms stated in this Deed or	to in this beed of Irust as "the Property") I also
2. DEBT SECURED. This Deed of Trust secures the following:	
X a. The payment of the principal, interest, credit report fees, late charges, collection costs and any and all other amounts, owing under a note wi 43,242.01, dated July 1, 1999, signed by	attorneys' fees (including any on appeal or review), ith an original principal amount of \$ LARRY G. CALLIES AND SUSAN I. GALLIES
the following obligations, if any (collectively "Note"):	("Borrower")
and any extensions and renewals of any length. The words "LINE OF CREDIT I this paragraph 2.a. is checked, unless paragraph 2.b. is also checked.	INSTRUMENT" do not apply to this Deed of Trust if
b. The payment of all amounts that are payable to lender at any time	1 Linder a
("Credit Agreement"), signed by, dated	, and any riders or amendments at
Tigroculation (), Signed by	, made of differential thereto
The Credit Agreement is for a revolving line of credit under which Borrower may Agreement) one or more loans from Lender on one or more occasions. The outstanding at any one time pursuant to the Credit Agreement is \$	maximum principal amount to be advanced and
The term of the Credit Agreement consists of an initial period of ten years, which Agreement, during which advances can be obtained by Borrower, followed by a reall amounts owing to Lender under the terms of the Credit Agreement. The lenwill depend on the amounts owed at the beginning of the repayment period, it	opayment period duffing which Romower much some
This Deed of Trust secures the performance of the Credit Agreement, the payme the Credit Agreement, the payment of all interest, credit report fees, late charges on appeal or review), collection costs and any and all other amounts that are Agreement, and any extensions and renewals of any length.	ent of all loans payable to Lendar at any time under
X c. This Deed of Trust also secures the payment of all other sums, with interprotect the security of this Deed of Trust, and the performance of any coverant Deed of Trust also secures the repayment of any future advances, with interest Trust.	est thereon, advanced under my Deer of This and
The interest rate, payment terms and balance due under the Note or Credit Agradjusted, renewed or renegotiated in accordance with the terms of the Note an renewals of the Note or Credit Agreement or both, as appäcable.	reement or both, as applicable, may be indexed, and the Credit Agreement and any extensions and

3. INSURANCE, LIENS, AND UPKEEP.

3.1 I will keep the Property insured by companies acceptable to 3.1 I will keep the Property insured by companies acceptable to you with fire and thaft 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 Lien(s)":

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 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 alsowhere. 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

- 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. 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
- 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 limited to, the following:
- 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:
- If I fail to pay taxes or any debts that might become a lien
- e. It is not pay taxes of any decis that might become a new 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;

If I become insolvent or bankrupt;

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
- 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
- 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. 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. ownership, possession, or control of the Property.
- 8.5 If you shall at any time, through the exercise of zero of your remedies under this Deed of First, then 3 a ceed in fleu 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. 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 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 Grantor(s), and "you" and "your" mean Beneficiary/Lender.

I agree to all the terms of this Deed of Trust	
Janes & Carrier	
Grantor Lallies	Granter
Grantor	Grantor
Grantor	
INDIVIDUA	L ACKNOWLEDGMENT
STATE OF OREGON	
County of Klumath ss.	7.1.99
	Date
Personally appeared the above named Lagry C	+ Susan L Callies
and acknowledged the foregoing Deed of Trust to be	NECV voluntary act.
San	Before me:
OFFIGIAL SEAL ACTANDIS MEDIGER	\mathcal{L}_{i} 0 , 0
NOTARY PUBLIC-OREGON COMMISSION NO. 060361 MY COMMISSION EXPIRES DEC. 22, 2000	Marin Ball Mediger
Carries DeC. 22, 2000)	Notary Public for Oregon
	My commission expires: 12-22. 2000
REQUEST F	OR RECONVEYANCE
TO TRUSTEE:	
Deed of Trust, which are delivered because hereby directed	nent or both, as applicable, secured by this Deed of Trust. The entire th, as applicable, together with all other indebtedness secured by this to cancel the Note or Credit Agreement or both, as applicable, and this without warranty all the extension party bold.
rust to the person or persons legally entitled thereto.	to cancel the Note or Credit Agreement or both, as applicable, and this , without warranty, all the estate now held by you under the Deed of
ate:	Signature:
	and the control of th

66400103895280001

ATTACHMENT A Property Description

Lot 9, Block 11, Tract No. 1037, Fifth Addition to Sunset Village, in the County of Klamath, State of Oregon.

State of Oregon, County of Klamath Recorded 10/25/99, at 2:38p m. In Vol. M99 Page 42482 Linda Smith, County Clerk Fee\$ 25°°2