

mtc-69230

Vol M05 Page 31662

State of Oregon, County of Klamath
Recorded 05/03/2005 11:04 a m
Vol M05 Pg 31662-126
Linda Smith, County Clerk
Fee \$ 410⁰⁰ # of Pgs 5

Return to:

Title One
1101 W River Street, Ste 201
Boise, ID 83702

DEED OF TRUST

THIS DEED OF TRUST, made this 2nd day May, 2005, by and between SW OREGON ALZHEIMERS, LLC, an Idaho limited liability company, whose address is 519 W. Front Street, Boise, Idaho 83702, herein called "GRANTOR," and AMERITITLE, whose address is 300 Klamath Avenue, Klamath Falls, Oregon 97601, herein called "TRUSTEE," and AMERICARE, L.L.C., an Idaho limited liability company, whose address is 1970 E. 17th Street, Suite 103, Idaho Falls, Idaho 83404, herein called "BENEFICIARY."

WITNESSETH: That Grantor does hereby irrevocably GRANT, BARGAIN, SELL AND CONVEY TO THE TRUSTEE IN TRUST WITH POWER OF SALE, that property in the county of Klamath, State of Oregon, described as follows and containing not more than forty (40) acres (the "PROPERTY"):

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR LEGAL DESCRIPTION

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits. For the purpose of securing the payment of the indebtedness equal to \$474,000 evidenced by a promissory note executed by Grantor of even date herewith (the "NOTE"), with final payment due on or before July 31, 2005, and to secure payment of all such further sums as may hereafter be loaned or advanced by the Beneficiary herein to the Grantor herein, or any or either of them, while record owner of present interest, for any purpose, and of any notes, drafts or other instruments representing such further loans, advances or expenditures together with interest on all such sums at the rate therein provided. Provided, however, that the making of such further loans, advances or expenditures shall be optional with the Beneficiary and provided further, that it is the express intention of the parties to this Deed of Trust that it shall stand as continuing security until paid for all such advances together with interest thereon.

A. To protect the security of this Deed of Trust, Grantor agrees:

1. To keep said Property in good condition and repair, not to remove or demolish any building thereon, to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said Property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said Property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said Property may be reasonably necessary, the specific enumerations herein not excluding the general.

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2. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.
3. To pay, at least ten (10) days before delinquency, all taxes and assessments affecting said Property, when due, all encumbrances, charges and liens, with interest, on said Property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses, of this Deed of Trust. In addition to the payments due in accordance with the terms of the Note hereby secured, Grantor shall, at the option and on demand of the Beneficiary, pay each month one-twelfth (1/12) of the estimated annual taxes, assessments, insurance premiums, maintenance and other charges upon the Property, nevertheless in trust for Grantor's use and benefit and for the payment by Beneficiary of any such items when due. Grantor's failure to pay shall constitute a default under this Deed of Trust.
4. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at the rate of interest specified in the above-described promissory note.
5. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and following written notice to Grantor and without releasing Grantor from any obligations hereof, may make or do the same in such manner and such an extent as either may deem necessary to protect this security hereof, Beneficiary or Trustee being authorized to enter upon said Property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, or in enforcing this Deed of Trust by judicial foreclosure, pay necessary expenses, employ counsel and pay reasonable attorney's fees.

B. It is mutually agreed that:

1. Any award of damages in connection with any condemnation for public use of or injury to said Property or any part thereof is hereby assigned and shall be paid to Grantor who may, at Grantor's sole option, apply such award to the indebtedness secured hereby, or retain such award received by Grantor.
2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
3. At any time or from time to time, without liability therefor and following written notice to Grantor, upon written request of Beneficiary and presentation of this Deed of Trust and said Note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey all or any part of said Property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.
4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said Note to Trustee for cancellation and retention upon payment of Trustee's fees, Trustee shall reconvey to Grantor, the Property then held hereunder. The Grantee in such reconveyance may be described as 'the person or persons legally entitled thereto.'
5. As additional security, Grantor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of this Deed of Trust, to collect rents, issues and profits of said Property, reserving unto Grantor the right, prior to any default, which is not timely cured following written notice and opportunity to cure, in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default which is not timely cured following written notice and opportunity to cure, Beneficiary may at any time following written notice to Grantor, either in person, by agent, or by a receiver to be appointed by a court and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said Property or any part thereof, or in Beneficiary's own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon and indebtedness secured hereby. The entering upon and taking possession of said Property, the collection of such rents,

issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

6. Upon any uncured default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the written option of the Beneficiary. In the event of an uncured default, Beneficiary shall execute or cause the Trustee to execute a written notice of Beneficiary's election to cause to be sold the Property to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the recorder of the county wherein said Property is situated. Notice of sale having been given as then required by law, and not less than the time then required by law having elapsed, Trustee, without demand on Grantor, shall sell the Property at the time and place fixed by Beneficiary in said notice of sale, either as a whole or in separate parcels and in such order as Beneficiary may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee shall deliver to the purchaser the deed conveying the Property so sold, but without any covenant or warranty expressed or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Grantor, Trustee, or Beneficiary, may purchase the Property such sale. After deducting such costs, fees and expenses, of Trustee and of this Deed of Trust, including cost of evidence of title and reasonable attorney's fees in connection with such sale, Trustee shall apply the proceeds of the sale to payment: first, to all sums expended under the terms hereof not then repaid, with accrued interest at the rate specified in the above described promissory note; next, to all other sums then secured hereby; and the remainder of such proceeds, if any, to the person or persons legally entitled thereto.
7. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner of the Note secured hereby; or, if the Note has been pledged, the pledgee thereof. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
8. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be a party unless brought by Trustee.
9. In the event of dissolution or resignation of the Trustee, the Beneficiary may substitute a trustee or trustees to execute the trust hereby created and when any such substitution has been filed for record in the office of the recorder of the county in which the Property is situated, it shall be conclusive evidence of the appointment of such trustee or trustees, and such new trustee or trustees shall succeed to all of the powers and duties of the trustee or trustees named herein.

Request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale hereunder be mailed to the Grantor at his address hereinbefore set forth.

SW OREGON ALZHEIMERS, LLC, an Idaho limited liability

By: OAAS LANEY, LLC, an Idaho limited liability company, Managing Member

By: WHITEROCK INVESTMENTS, LLC, an Idaho limited liability company, Member

By: 
J. ERIK OAAS, Managing Member

By: LANEYLAND L.P., an Idaho limited partnership, Member


By: 
STEVEN H. LANEY, General Partner

State of Idaho)
) ss.
County of Ada)

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On this 27 day of April, 2005, before me, the undersigned, a Notary Public in and for said State, personally appeared T. Erik Oaas, known or identified to me to be a Managing Member of Whiterock Investments, LLC, the limited liability company that executed the within instrument as a Member of Oaas Laney, LLC, said last limited liability company known to me to be a Managing Member of SW Oregon Alzheimers, LLC, the limited liability that executed the instrument acknowledged to me that he executed the same for and on behalf of said limited liability company and that such limited liability company executed it.

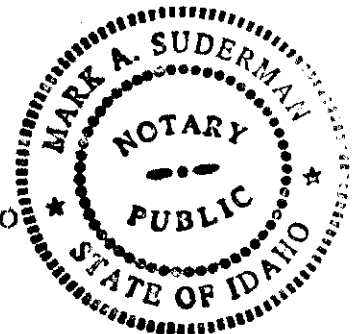
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Notary Public for Idaho
My Commission Expires: _____

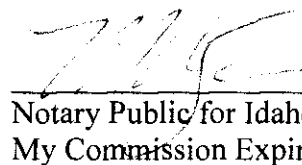
RESIDING IN MERIDIAN, IDAHO
MY COMM EXP. 05/21/09

State of Idaho)
) ss.
County of Ada)



On this 27 day of April, 2005, before me, the undersigned, a Notary Public in and for said State, personally appeared Steven H. Laney, known or identified to me to be the General Partner of Laneyland, L.P, the partnership that executed the within instrument as a Member of Oaas Laney, LLC, said last limited liability company known to me to be a Managing Member of SW Oregon Alzheimers, LLC, the limited liability that executed the instrument acknowledged to me that he executed the same for and on behalf of said partnership and that partnership executed it on behalf of said limited liability company and that such limited liability company executed it.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Notary Public for Idaho
My Commission Expires: _____

RESIDING IN MERIDIAN, IDAHO
MY COMM EXP. 05/21/09

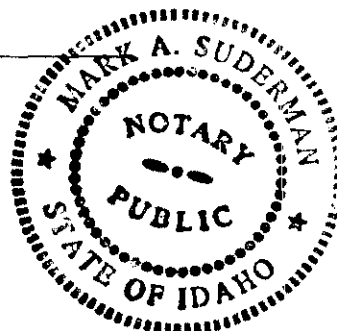


EXHIBIT A

LEGAL DESCRIPTION

LOTS 14 AND 15 OF TRACT 1301, BASIN VIEW ESTATES, ACCORDING TO THE
OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF
KLAMATH COUNTY, OREGON.