

2008-000032

Klamath County, Oregon



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01/02/2008 10:53:43 AM

Fee: \$51.00

After recording return to and send tax statements to:  
Crismon Investments LLC  
18208 S Brookstone Dr.  
Oregon City, OR 97045

TRUST DEED

15+ 1147281  
THIS TRUST DEED made on Dec 27, 2007, between Robert Salvo and Diane Salvo as Grantor, Fidelity National Title Insurance Company as Trustee, and Crismon Investments LLC as Beneficiary,

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee, in trust, with power of sale, the property in Klamath County, Oregon described as:

LOT 3 IN BLOCK 1, TALL PINE ESTATES, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

For the purpose of securing performance of each agreement of grantor herein contained and payment of the sum of Seventy Five Thousand Dollars (\$75,000.00) according to the terms of a promissory note of even date herewith, attached as Exhibit A, payable to beneficiary or order and made by grantor, the final payment of principal and interest, if not sooner paid, to be due and payable no later than January 9, 2010.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBE IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATION. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERY APPROVED USES AND TO DETERMINE ANY LIMITS OR LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of the note becomes due and payable.

To protect the security of this trust deed, grantor agrees:

1. To protect, preserve and maintain the property in good condition and repair; not to remove or demolish any building or improvement thereon; and not to commit or permit any waste of the property.
2. To complete or restore promptly and in good and habitable condition any building or improvement which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefor.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property; if the beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require, and to pay for filing the same in the property public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.

4. To keep the property free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against the property before any part of such taxes, assessments and other charges becomes past due or delinquent and promptly deliver receipts therefor to beneficiary. Should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in the notes secured hereby, together with the obligations described in paragraphs 5 and 6 of this trust deed, shall be added to and become a part of the debt secured by this trust deed, without waiver of any rights arising from breach of any of the covenants hereof. For such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described. All such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable and shall constitute a breach of this trust deed.

5. To pay all costs, fees and expenses of this trust, including the cost of title search, as well as the other costs and expenses of the trustee incurred in connection with or in enforcing this obligation, and trustee and attorney fees actually incurred.

6. To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee; and in any suit, action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of this deed or any suit or action related to this instrument, including but not limited to its validity and/or enforceability, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney fees. The amount of attorney fees mentioned in this paragraph in all cases shall be fixed by the trial court, and in the event of an appeal from any judgment or decree of the trial court, grantor further agrees to pay such sum as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney fees on such appeal.

7. Grantor further agrees:

7.1 Grantor will pay the Note according to the terms thereof;

7.2 Grantor will pay all property taxes, assessments, and other charges which may be levied or assessed against the Property when due;

7.3 Grantor will promptly discharge any liens against the property which are superior to the lien of this Deed of Trust;

7.4 Grantor will keep the buildings now on or which may hereafter be erected on the property insured in favor of Beneficiary against loss or damage by fire, with extended coverage, in the amount of the Klamath County tax property, in a company acceptable to Beneficiary; and will name Beneficiary as an additional insured as Beneficiary's interest may appear and;

7.5 Grantor will keep the building and improvements on the Property in the same condition as when received and will not commit or suffer any waste of the Property.

It is mutually agreed that:

8. In the event that any portion or all of the property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, it is so elects, to require that all or any portion of the monies payable as compensation for such taking which are in excess of the amount required to pay all reasonable costs, expenses and attorney fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney fees, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby. Grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation promptly upon beneficiary's request.

9. At any time and from time to time upon written request of beneficiary, payment of its fees and presentation of this deed and the note for endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may (a) consent to the making of any map or plat of the property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, 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 the property or any part thereof, in its own name sue or otherwise collect the 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 any indebtedness secured hereby, and in such order as beneficiary may determine.

11. Upon default by grantor in payment of any indebtedness secured hereby or in grantor's performance of any agreement hereunder, time being of the essences with respect to

such payment and/or performance, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary may elect to proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or by judicial foreclosure, or may direct the trustee to pursue any other right or remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the trustee shall execute and cause to be recorded a written notice of default and election to sell the property to satisfy the obligation to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

12. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753 may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided by law.

13. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which the sale may be postponed as provided by law. The trustee may sell the property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

14. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or to any successor in interest entitled to such surplus.

15. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conveyed upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

16. Trustee accepts this trust when this deed, duly executed and acknowledged, is made a

public record as provided by law. 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 such action or proceeding is brought by trustee.

17. Time of Essence. Time is of the essence hereof and upon default by Grantor in the payment of the Note or in the performance of any covenant herein, Beneficiary may declare all sums secured hereby immediately due and payable and may deliver to Trustee a written notice of default and election to sell the Property. Upon delivery of the notice of default and election to sell, Beneficiary shall deposit with Trustee this Deed of Trust and all promissory notes and documents evidencing expenditures secured hereby, whereupon Trustee shall fix the time and place of sale and give notice thereof as then required by law.

18. Insurance. If the Property is damaged because of fire or other risk covered by insurance, the proceeds of the insurance shall first be applied against the cost of repair, and any amount not required for those purposes shall be paid to Beneficiary and applied against the payments last becoming due on the Note; but if the insurance proceeds shall be insufficient for such repairs, Grantor shall pay the difference. If damage to the improvements is so extensive as to constitute total destruction, so that repair is not feasible, the insurance proceeds shall be paid to Beneficiary and applied against the payments last coming due on the Note, and any excess over the balance thereof shall be paid to Grantor. In the event that Grantor shall fail to file an proof of loss or to endorse any check, draft, or warrant payable to Grantor arising from such loss, Grantor hereby names and constitutes Beneficiary as Grantor's attorney in fact to make such proof of loss and to endorse such check, draft, or warrant and apply the proceeds as provided herein.

19. Nonwaiver. Grantor agrees that failure of Beneficiary at any time to require performance by Grantor of any provision of this Deed of Trust or the Note shall in no way effect Beneficiary's right hereunder to enforce the same, nor shall any waiver by the Beneficiary of any breach of any provision hereof be held to be a waiver of any succeeding breach of any such provision, or as a waiver of the provision itself.

20. Transfer

20.1 This Deed of Trust and the Note are personal to the Grantor and in the event of any transfer of the Property, or any part thereof, without the consent of Beneficiary, the entire unpaid balance of the Deed of Trust and the Note shall become immediately due and payable.

20.2 Transfer shall mean a sale, assignment, contract, subcontract, lease or a term (including renewal periods) exceeding three years, lease with option to purchase, devise, passage by intestate succession, gift, encumbrance or other transfer, whether voluntary or involuntarily, absolutely, for security or otherwise. Transfer shall include the appointment of a receiver to manage the property.

20.3 Beneficiary may require such personal and financial information concerning Grantor's prospective assignee, subcontractee or other transferee as a prudent lender would require of a prospective borrower.

20.4 No assignment, subcontract, or other transfer shall relieve Grantor from liability for

full performance of all it's obligations hereunder unless the Beneficiary's written consent expressly so provides.

20.5 Consent by Beneficiary to one assignment, contract, subcontract, or other transfer shall not constitute consent to further assignments, contracts, subcontracts or other transfers or waiver of this paragraph.

20.6 Any attempted assignment, contract, subcontract or other transfer in violation of this section shall be void and of no effect with respect to Beneficiary.

21. Expenditure by Beneficiary. If Grantor fails to comply with any provision of this Deed of Trust, Beneficiary may elect to take the required action on Grantor's behalf, and any amount that Beneficiary expends in so doing shall be added to the indebtedness. Such action by Beneficiary shall not constitute a cure or waiver of the default or any other right or remedy which Beneficiary may have on account of Grantor's default.

22. Notices. Any notice under this Deed shall be in writing and shall be effective when either delivered in person or, if mail, shall be deemed effective on the second day after deposited as registered or certified mail, postage prepaid, addressed to the party at the address stated in this deed. Any party may change it's address for notices by written notice to the other.

Address for Trustee:	Address for Grantor:
Fidelity National Title Insurance Company 1220 20 <sup>th</sup> Street, Suite 150 Salem, OR 97302	Robert Salvo and Diane Salvo 1953 Rockland Dr. NW Salem, OR 97304
Address for Beneficiary:	
Crismon Investments LLC 18208 S. Brookstone Dr. Oregon City, OR 97045	

23. Changes in writing. This Deed of Trust and any of it's terms may only be changed, waived, discharged or terminated by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. Any agreement subsequently made by Grantor or Beneficiary relating to this Deed of Trust shall be superior to the rights of the holder of any intervening lien or encumbrance.

24. Trustee's Acceptance. The Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

25. Successors. This Deed of Trust inures to the benefit of and binds the parties hereto, their heirs, devisees, administrators, executors, successors and assigns.

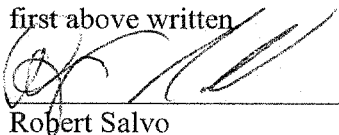
The grantor covenants and agrees to and with the beneficiary and the beneficiary's

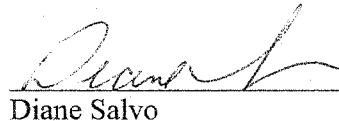
successor in interest that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto, except as may be set forth in an addendum or exhibit attached here to, and that the grantor will warrant and forever defend the same against all persons whomsoever.

INSURANCE WARNING: UNLESS YOU CAN PROVIDE US WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED HEREIN, WE MAY PURCHASE INSURANCE AT YOUR EXPENSE TO PROTECT OUR INTEREST. THIS INSURANCE MAY, BUT NEED NOT, ALSO PROTECT YOUR INTEREST. IF THE COLLATERAL BECOMES DAMAGED, THE COVERAGE WE PURCHASE MAY NOT PAY ANY CLAIM YOU MAKE OR ANY CLAIM AGAINST YOU. YOU MAY LATER CANCEL THIS COVERAGE BY PROVIDING EVIDENCE THAT YOU HAVE OBTAINED PROPERTY COVERAGE ELSEWHERE.

YOU ARE RESPONSIBLE FOR THE COST OF ANY INSURANCE PURCHASED BY US. THE COST OF THIS INSURANCE MAY BE ADDED TO YOUR CONTRACT OR LOAN BALANCE. IF THE COST IS ADDED TO YOUR CONTRACT OR LOAN BALANCE, THE INTEREST RATE ON THE UNDERLYING CONTRACT OR LOAN WILL APPLY TO THIS ADDED AMOUNT. THE EFFECTIVE DATE OF COVERAGE MAY BE THE DATE YOUR PRIOR COVERAGE LAPSED OR THE DATE YOU FAILED TO PROVIDE PROOF OF COVERAGE. THE COVERAGE WE PURCHASE MAY BE CONSIDERABLY MORE EXPENSIVE THAN INSURANCE YOU CAN OBTAIN ON YOUR OWN ANY MAY NOT SATISFY ANY NEED FOR PROPERTY DAMAGE COVERAGE OR ANY MANDATORY LIABILITY INSURANCE REQUIREMENTS IMPOSED BY APPLICABLE LAW.

I N WITNESS WHEREOF, the grantor has executed this instrument the day and year first above written


  
Robert Salvo

  
Diane Salvo

STATE OF OREGON,           )  
  ) ss:  
County of Marion           )

On this 27 day of December, 2007, the foregoing instrument was acknowledged before me by Robert Salvo and Diane Salvo.



  
Notary Public for Oregon  
My Commission Expires: 1/29/09

After recording return to and send tax statements to:  
Crismon Investments LLC  
18208 S. Brookstone Dr.  
Oregon City, OR 97045