

UTC 13916-9402

2009-004106

Klamath County, Oregon



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03/23/2009 03:24:38 PM

Fee: \$41.00

Jack Sparrowk
PO Box 657
Clements, CA 95277
[Grantors Name & Address]

Lon D. Brooks, et al
6262 E Liberty Road
Galt, CA 95277
[Beneficiary's Name & Address]

After Recording Return to (Name, Address, Zip):
Yturri Rose LLP
PO Box "S"
Ontario, OR 97914

TRUST DEED

THIS TRUST DEED, made this 20th day of March, 2009, between Jack Sparrowk, as Grantor, Amerititle Inc., 405 1st Street N, Lakeview, OR 97630, as Trustee, and Lon D. Brooks and Mary Brooks as Trustees of the Brooks Revocable Trust, Troy Brooks and Tracey Brooks, as Beneficiaries,

WITNESSETH:

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

**See Exhibit A attached hereto and
by this reference incorporated herein**

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in any way now or hereafter appertaining, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection with the property.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor herein contained and payment of the sum of Six Hundred Thirty Three Thousand Four Hundred Twenty One Dollars (\$633,421.00), with interest thereon according to the terms of a Promissory Note of even date herewith, payable to Beneficiary or order and made by Grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable July 1, 2009.

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. Should the Grantor either agree to, attempt to, or actually sell, convey, encumber in any manner or assign all (or any part) of the property or all (or any part) of Grantor's interest in it without first obtaining the written consent or approval of the Beneficiary, then, at the Beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or herein, shall become immediately due and payable.

Alamt

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

1. Not to remove or demolish any building or improvement thereon; not to commit or permit any waste of the property.

2. The Grantor shall not take any action to alter any structure or physical characteristic of the property without the beneficiaries prior written consent.

3. The Grantor will not take any actions inconsistent with the intent expressed by the parties in the Memorandum Agreement for Sale of Pothole Grazing Allotment.

4. 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 or 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 expense of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as Beneficiary may determine.

5. The entering upon and taking possession of the property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release 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 default by Grantor in payment of any indebtedness secured hereby or in Grantor's performance of any agreement hereunder, time being of the essence 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 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 secured hereby whereupon the Trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this Trust Deed in the manner provided in ORS 86.735 to 86.795.

7. After the Trustee has commenced foreclosure by advertisement and sale, and at any time prior to five (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.

8. 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, by including the Grantor and Beneficiary, may purchase at the sale.

9. When Trustee sells pursuant to the powers provided herein, Trustee shall apply the proceeds of the 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 giving 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.

10. 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 conferred upon any Trustee herein named or appointed hereunder. Each such appointment and substitution shall be made 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.

11. 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.

The parties agree that the proceeds of the loan represented by the above described Note are used completely for the purchase of the property described herein. This is a purchase money Trust Deed.

Grantor's liability under this Trust Deed and under the Note secured by this Trust Deed shall be enforceable only out of or against the property encumbered by this Trust Deed. The lien of any judgment against Grantor in any proceeding instituted on, under, or in connection with the Note or this Trust Deed, or both, shall not extend to any property now or later owned by Grantor which is not mortgaged, pledged or assigned as security for the Note.

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term Beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a Beneficiary herein.

In constructing this Trust Deed, it is understood that the Grantor, Trustee and/or Beneficiary may each be more than one person; that if the context so required, the singular shall be taken to mean and include the plural, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and individuals.

IN WITNESS WHEREOF, the Grantor has executed this instrument the day and year first above written.



Jack Sparrowk

STATE OF Oregon)
County of Klamath) ss.

This instrument was acknowledged before me on the 19 day of March, 2009, by Jack Sparrowk.



Donna M. Kness
Notary Public for Oregon
My commission expires: Feb 3, 2013

Exhibit A

The following described real property sitsuate in Klamath County, Oregon:

Township 38 South, Range 14 East of the Willamette Meridian

All that portion of the E $\frac{1}{2}$ E $\frac{1}{2}$ of Section 34 lying Northeasternly of the rights of way of the Bly Logging Co., and the O C & E Railway Co, Saving and Excepting the following parcels:

Beginning at a point on the Eastern side of Section 34, said point being N. $00^{\circ}16'40''$ W. 2871.4 feet from the Southeast corner of said section; thence S. $88^{\circ}30'50''$ W. 800.0 feet; thence N. $00^{\circ}16'40''$ W. 398.0 feet; thence N. $88^{\circ}30'50''$ E. 880.0 feet to the East line of said Section 34; thence S. $00^{\circ}16'40''$ E. 398.0 feet along said East line to the point of beginning. ALSO EXCEPTING therefrom: Beginning on the East line of said Section 34; said point begin N. $00^{\circ}16'40''$ W. 1747.4 feet from the Southeast corner said section; thence S. $88^{\circ}30'50''$ W. 880.0 feet; thence N. $00^{\circ}16'40''$ W. 6.0 feet; thence N. $88^{\circ}42'50''$ W. 880.2 feet to the West line of the NE $\frac{1}{4}$ SE $\frac{1}{4}$; thence along said West line N. $0^{\circ}14'30''$ W. 30.05 feet; thence leaving said West line S. $88^{\circ}42'50''$ E. 880.2 feet; thence N. $00^{\circ}16'40''$ W. 888.95 feet; thence N. $88^{\circ}30'30''$ E. 880.0 feet to the East line of said Section 34; thence S. $00^{\circ}16'40''$ E. 924.0 feet along said East line to the point of beginning.

All of Section 35, Excepting therefrom those portions described in Volume 322 page 469 and in Volume M-76 on page 4261, Deed records of Klamath County, Oregon.

Township 37 South, Range 14 East of the Willamette Meridian

Beginning at Northeast corner of NW $\frac{1}{4}$ of Section 2, Township 37 South, Range 14 East of the Willamette; thence South 210 feet; thence West 840 feet; thence North 210 feet; thence East along the North line of said Section 2 to the place of beginning. All in Klamath County, Oregon.

A strip of land in the fractional N $\frac{1}{2}$ of NE $\frac{1}{4}$ of Section 2, Township 37 South, Range 14 East of the Willamette Meridian, more particularly described as follows: Beginning at a point on the North line of said Section 2, which is 185.32 feet distance, South $89^{\circ}58'$ West from the Northeast corner of said Section; thence South $89^{\circ}58'$ West along North line for a distance of 1,514.68 feet to a point; thence South for a distance of 24.00 feet to a point; thence North $89^{\circ}58'$ East for a distance of 1,514.68 feet to a point; and thence North for a distance of 24.00 feet to the point of beginning.

Also the North 20 feet of Lot J in North Bly, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.