

1st 2161865-ALF

2013-012507

Klamath County, Oregon

11/07/2013 01:34:05 PM

Fee: \$82.00



THIS SPACE RESERVED FOR RECORDER'S USE

After recording return to:
William Hampton III and Helen
HamptonRevoacble Inter Vivos Trust
242 Mt View Place
Palm Springs, CA 92262

File No.: 7021-2161865 (ALF)

Date: October 30, 2013

Map/Tax Lot #

Tax Account #**R432222**

TRUST DEED

(Assignment Restricted)

THIS DEED OF TRUST, made this **Thirtieth day of October, 2013**, between **Dukes Mobile Home Community, LLC**, as GRANTOR, and **First American Title**, as TRUSTEE, and **William Henry Hampton III and Helen Louise Hampton Revocable Inter Vivos Trust established November 17, 2005**, as BENEFICIARY.

WITNESSETH: Grantor irrevocably conveys to Trustee in trust, with power of sale, certain real property in **Klamath County, Oregon**, described as:

See Legal Description attached hereto as Exhibit A and by this reference incorporated herein.

Together with all tenements, hereditaments and appurtenances, including easements, and all other rights thereunto belonging or in any way now or hereafter appertaining, and the rents, issues, and profits thereof, together with all fixtures now or hereafter attached to or used in connection with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor herein contained and payment of the sum of **Five hundred thousand 00/100 dollars (\$500,000.00)**, 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 **November 08, 2018**.

Note: The Trust Deed Act provides that the Trustee hereunder must be either an attorney who is an active member of the Oregon State Bar, a bank, trust company or savings and loan association authorized to do business under the laws of Oregon or the United States, a title insurance company authorized to insure title to real property of the state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 896.505 to 896.585.

***WARNING:** 12 USC 1701/-S regulates and may prohibit exercise of this option.

Page 1

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87.00

In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the Grantor without first having obtained 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.

Grantor agrees:

1. To protect, preserve and maintain the property in good condition and repair; not to remove or demolish any building or improvement therein; not to commit or permit any waste of said property.

2. To complete or restore promptly and in good and workmanlike manner any building or improvement, which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefore.

3. To provide and continuously maintain insurance on the buildings now or hereafter erected on the said property against loss or damage by fire and other hazards as the Beneficiary may require, in an amount not less than **\$500,000.00**, written by companies acceptable to the Beneficiary, with loss payable to Beneficiary; proof of insurance shall be delivered to the Beneficiary as soon as issued.

4. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property.

5. To keep said premises free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said property before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipt of payment to Beneficiary.

6. 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 note secured hereby, together with the obligations of Grantor, described in paragraphs 7 and 8 of this Trust Deed section, 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 and for such payments, with interest as aforesaid, the property herein before 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 and 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 constitute a breach of this Trust Deed.

7. 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 together with trustees' and attorneys' fees actually incurred.

8. 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 evidence of title and the Beneficiary's or Trustee's attorneys' fees. The amount of attorneys' fees mentioned in this paragraph 7 above 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 attorneys' fees on such appeal.

The parties mutually agree:

1. In the event that any portion of the property is taken under the right of eminent domain or condemnation, Beneficiary shall have the right, if it 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 attorneys' fees, both in the trial and appellate courts, necessarily paid or incurred by Beneficiary in such proceedings, be applied upon the indebtedness secured hereby; and 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.

2. 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 attorneys' fees upon any indebtedness secured hereby, in such order as Beneficiary may determine.

3. 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.

4. Upon default by Grantor in payment of any indebtedness secured hereby or in Grantor's performance of any agreement contained 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 event Beneficiary, at its election, may proceed 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 said described real 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.

5. The Grantor and those persons authorized by ORS 86.753 may cure any default(s) 5 days before the date the Trustee has designated for sale. Any cure of default(s) shall require payment of or tendering performance and the payment of all costs and expenses actually incurred in enforcing the obligations of this Trust Deed, including, but not limited to, trustees' and attorneys' fees as authorized by law.

In the absence of any such cure, the Trustee will enforce the obligations of this Trust Deed in accordance with paragraph 4 herein and as authorized and required by applicable law.

6. 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) 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 interest may appear in the order of their priority and (4) the surplus, if any, to the Grantor or to his successor in interest entitled to such surplus.

7. 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 an 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 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.

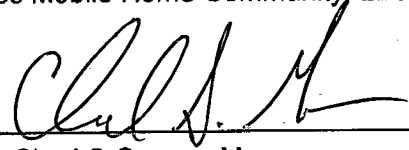
The Grantor covenants to and agrees with the Beneficiary and the Beneficiary's successors in interest that the Grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title

thereto, except as may be set forth in any addendum or exhibit attached hereto, and that the Grantor will warrant and forever defend the same against all persons whomsoever.

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 construing this deed and whenever the context so requires the singular number includes the plural.

IN WITNESS WHEREOF, the Grantor has hereunto set his hand the day and year first above written.

Dukes Mobile Home Community, LLC

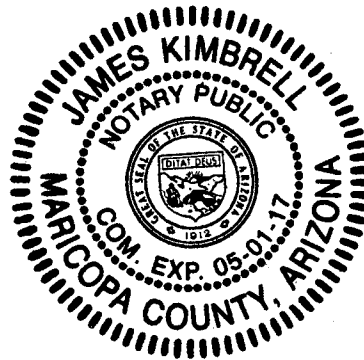

By: Chad S Graves, Manager

STATE OF Arizona)
County of Maricopa) ss.

This instrument was acknowledged before me on this 6 day of November, 2013
by Chad S Graves as Manager of Dukes Mobile Home Community, LLC, on behalf of the .



Notary Public for _____
My commission expires: May 1, 2017



APN: R432222

Trust Deed - continued

File No.: 7021-2161865 (ALF)

Date: 10/30/2013

REQUEST FOR FULL RECONVEYANCE (To be used only when obligations have been paid.)

TO: , Trustee

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by the trust deed have been fully paid and satisfied. You hereby are directed, on payment to you of any sums owing to you under the terms of the trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by the trust deed (which are delivered to you herewith together with the trust deed) and to reconvey, without warranty, to the parties designated by the terms of the trust deed, the estate now held by you under the same.

Mail Reconveyance to:

Dated: _____

By _____

By _____

By _____

Beneficiary

**Do not lose or destroy this Deed of Trust OR THE NOTE which it secures.
Both must be delivered to the Trustee before cancellation before reconveyance is made.**

EXHIBIT A

LEGAL DESCRIPTION: Real property in the County of Klamath, State of Oregon, described as follows:

Commencing at the Southwest corner of the Northwest one-quarter of the Northwest one-quarter (NW 1/4 NW 1/4) of Section 20, Township 38 South, Range 9 East of the Willamette Meridian, which point is the true point of beginning; thence North along the Westerly line of Section 20, a distance of 726 feet; thence East 300 feet to a point; thence South 726 feet to a point, said point being on the Southerly line of the Northwest one-quarter of the Northwest one-quarter (NW 1/4 NW 1/4) of said Section 20 thence West 300 feet to the place of beginning, all being in the Northwest one-quarter of the Northwest one-quarter (NW 1/4 NW 1/4) of Section 20, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

Also Lots 1, 2, 3, 4, 5 and 6 in Block 1 and all that portion of Lots 1, 2, 3, 4, and 5 in Block 12, lying Northeasterly of the right of way of Highway #97, all in CHELSEA ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, now vacated.

Also, all that portion of Byrd Avenue, lying North of Block 1 of said Chelsea Addition, all that portion of Nungesser Avenue lying between Blocks 1 and 12 of said Chelsea Addition, and all that portion of the alley in Chelsea Addition lying East of Blocks 1 and 12, North of the State Highway right of way line projected Southeasterly, West of the Section line and South of the North line of Byrd Avenue projected Easterly, all in Chelsea Addition, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, now vacated.

Together with those portions of vacated Byrd Avenue and vacated Quarry Street as vacated by Ordinance No. 93-6, recorded March 17, 1993 in Volume M93, page 5572, Microfilm Records of Klamath County, Oregon, as inured thereto by operation of law.

Also beginning at a point which is South 0°06' West a distance of 388.5 feet from the section corner common to Sections 17, 18, 19 and 20 in Township 38 South, Range 9 E.W.M., Klamath County, Oregon, thence continuing South 0°06' West a distance of 300 feet to the Northeast corner of Chelsea Addition to the City of Klamath Falls, Oregon; thence along the North boundary line of Byrd Avenue in Chelsea Addition North 89°49' West a distance of 174.2 feet to the East line of Quarry Street extended; thence North 0°06' East along the East boundary of Quarry Street extended a distance of 300 feet to a point; thence South 89°49' East a distance of 174.2 feet to the point of beginning.

ALSO a tract of land situated in the NE 1/4 NE 1/4 of Section 19, Township 38 South, Range 9 E.W.M., and being the Easterly 30 feet of the following described parcel: Beginning at the Section corner common to Sections 17, 18, 19 and 20 , said Township and Range; thence S. 0°06' W. along the East line of said Section 19, a distance of 388. 5 feet to a point; thence N. 89°49' W. a distance of 174.2 feet to a point; thence S. 0°06' W. a distance of 89 feet to the true point of beginning of this description; thence continuing S. 0°06' W. a distance of 211 feet to a point on the North line of Byrd Avenue; thence West along said North line a distance of 60 feet to a point; thence N. 0°06' E. a distance of 211 feet to a point; thence S. 89°49' E. 60 feet to the point of beginning.

ALSO

Lots 1, 2, 3, 4, 5 and 6 in Block 5 of OPPORTUNITY ADDITION, to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, less the portion in highway described in Deed Volume 181 Page 29.

CONDITIONAL ASSIGNMENTS OF RENTALS

THIS AGREEMENT, Entered into this 30th day of October, 2013, between Dukes Mobile Home Community LLC, hereinafter referred to as Owner and William Henry Hampton III and Helen Louise Hampton trustees of the William Henry Hampton III and Helen Louise Hampton Revocable Inter Vivos Trust, hereinafter referred to as Beneficiary or the survivor thereof.

WITNESSETH:

WHEREAS, Owner is the present owner in fee simple of property described as:

See attached legal

In Klamath County, State of Oregon, and the Beneficiary is owner and holder of a Trust Deed covering said premises, which said Trust Deed is in the original principal sum of ~~\$300,000.00~~ ^{CA} \$ 500,000 made by owner to Beneficiary under the date of October 30, 2013; and

WHEREAS, Beneficiary, as a condition to making said loan and accepting said Trust Deed required the execution of this assignment of the rentals of the Trust Deed premises by owner.

NOW, THEREFORE, in order to further secure the payment of the indebtedness of the owner to Beneficiary and in consideration of the accepting of the afore said Trust Deed and the note secured thereby, the said owner does hereby sell, assign, transfer and set over unto Beneficiary all of the rents, issues and profits of the aforesaid mortgaged premises, this assignment to become operative upon any default being made by the owner (grantor) under the terms of the aforesaid Trust Deed and the note secured thereby, and to remain in full force and effect so long as any default continues to exist in the matter of the making of any of the payments or the performance of any of the covenants set forth in the aforesaid Trust Deed and the note secured thereby.

1. In furtherance of the foregoing assignment, the owner hereby authorized the Beneficiary, its employees or agents, at its option, after the occurrence of a default as aforesaid to enter upon the mortgaged premises and to collect, in the name of the owner, or in their own name as assignee, the rents accrued but unpaid and in

arrears at the date of such default, as well as the rents thereafter, accruing and becoming payable during the period of continuance of the said or any other default; and to this end, the owners further agree they will facilitate in all reasonable ways the Beneficiary's collection of said rents and will upon request by Beneficiary execute a written notice to the tenant directing the tenant to pay rent to the said Beneficiary.

2. The owner also hereby authorizes the Beneficiary upon such entry, at its option, to take over and assume the management, operation and maintenance of the said mortgaged premises and to perform all acts necessary and proper to expend such sums out of the income of the mortgaged premises as may be needful in connection therewith, in the manner and to the same extent as the owner theretofore might do, including the right to effect new leases, to cancel or surrender existing leases, to alter or amend the terms of existing leases, to make concessions to tenants, the owner hereby releasing all claims against Beneficiary arising out of such management, operation and maintenance excepting the liability of the Beneficiary to account as hereinafter set forth.
3. The Beneficiary shall, after payment of all property charges and expenses, including reasonable compensation to such Managing Agent as it shall select and employ and after the accumulation of a reserve to meet taxes, assessments, water rents and fire and liability insurance in requisite amounts, credit the net amount of income received by it from the mortgaged premises by virtue of this assignment, to any amounts due and owing to it by the owners under the terms of the Trust Deed and the note secured thereby the manner of the application of such net income and what terms shall be credited, shall be determined in the sole discretion of the Beneficiary. The Beneficiary shall not be accountable for more moneys than it actually received from the mortgaged premises; nor shall it be liable for failure to collect rents. The Beneficiary shall make reasonable effort to collect rents, reserving, however, within its own discretion, the right to determine the method of collection and the extent to which enforcement of collection of delinquent rents shall be prosecuted.
4. In the event, however, that the owner shall reinstate the Trust Deed loan completely in good standing, having complied with all the terms, covenants and conditions of the said Trust Deed and the note secured thereby, then the Beneficiary within one month after demand in writing shall re-deliver possession of the mortgaged premises to owner, who shall remain in possession unless and until another default occurs, at which time the Beneficiary may, at its option, again take possession of the mortgaged premises under authority of the instrument.
5. The owner hereby covenants and warrants to the Beneficiary that neither it, nor any previous owner, have executed any prior assignment or pledge of the rentals of the mortgaged premises, nor any prior assignment or pledge of its landlord interest in any lease of the whole or any part of the mortgage premises. The

owner also hereby covenants and agrees not to collect the rents of the said mortgaged premises in advance, other than as required to be paid in advance by the terms of any rental agreement, and further agrees not to do any other act which would destroy or impair the benefits to the Beneficiary of the assignment.

6. it is not the intention of the parties hereto that an entry by the Beneficiary upon the mortgaged premises under the terms of the instrument shall constitute the said Beneficiary a "Beneficiary in-possession" in contemplation of law, except at the option of the Beneficiary.
7. This assignment shall remain in force and effect as long as the Trust Deed debt to the Beneficiary remains unpaid in whole or in part.
8. The provisions of this instrument shall be binding upon the owner, its successors or assigns, and upon the Beneficiary and its successors or assigns. The word "Owner" shall be construed to mean any one or more persons or parties who are holders of the legal title or equity of redemption to or in the aforesaid mortgaged premises. The word "note" shall be construed to mean the instrument, whether note of bond, given evidence the indebtedness held by the Beneficiary against the mortgaged premises; and the word "Trust Deed" shall be construed to mean the instrument securing the said indebtedness owned and held by the Beneficiary, whether such instrument be Trust Deed, loan deed, vendor's lien or otherwise.

It is understood and agreed that a full and complete release of the aforesaid Trust Deed shall operate as a full and complete release of all the Beneficiaries rights and interests hereunder, and that after said Trust Deed has been fully released, this instrument shall be void and of no further effect.

Dated 11/6/13

Chad A. H.
