



2019-013102

Klamath County, Oregon

11/08/2019 11:49:01 AM

Fee: \$182.00

Recording Requested by:

WHEN RECORDED MAIL TO:

American AgCredit, FLCA
P.O. Box 550
Alturas, California 96101

The undersigned hereby affirm that there is no Social Security number contained in this document.

Space Above This Line For Recorder's Use

**LINE OF CREDIT TRUST DEED, SECURITY AGREEMENT, ASSIGNMENT OF RENTS
AND FIXTURE FILING**

NOTICE TO RECORDER: THIS DOCUMENT SERVES AS A FIXTURE FILING UNDER THE OREGON UNIFORM COMMERCIAL CODE. This Financing Statement covers goods described herein by item or type some or all of which are affixed or are to be affixed to the real property described in Exhibit A to this document. For purposes of this fixture filing the "Debtor" is the Grantor (as defined herein) and the "Secured Party" is the Beneficiary (as defined herein) and their respective addresses are set forth herein.

THIS LINE OF CREDIT TRUST DEED, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND
FIXTURE FILING is given this October 24, 2019

Grantors: Timothy M. Howard, an unmarried man
Grantors Address: 1575 Horton Road, Dairy, Oregon 97625

Beneficiary: American AgCredit, FLCA
Beneficiary Address: P.O. Box 550, Alturas, California 96101

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**LINE OF CREDIT TRUST DEED, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND
FIXTURE FILING**

ORS 86.155 STATEMENTS:

MAXIMUM PRINCIPAL AMOUNT: \$100,000.00

MATURITY DATE: JANUARY 1, 2045, EXCLUSIVE OF OPTION(S) TO RENEW OR EXTEND, IF ANY.

THE MAXIMUM PRINCIPAL AMOUNT TO BE ADVANCED PURSUANT TO THE NOTE (AS THAT TERM IS DEFINED HEREIN) IS \$100,000.00; HOWEVER, SUCH MAXIMUM PRINCIPAL AMOUNT TO BE ADVANCED MAY BE EXCEEDED BY (I) INTEREST, LAWFUL CHARGES AND ADVANCES MADE ANY TIME PURSUANT TO THE NOTE FOR THE REASONABLE PROTECTION OF THE PROPERTY (AS DEFINED HEREIN) INCLUDING, BUT NOT LIMITED TO, ADVANCES TO PAY REAL PROPERTY TAXES, HAZARD INSURANCE PREMIUMS, MAINTENANCE CHARGES IMPOSED UNDER A DECLARATION OR RESTRICTIVE COVENANT AND REASONABLE ATTORNEY FEES AND (II) ADVANCES MADE ANY TIME AFTER THE DATE OF RECORDING HEREOF PURSUANT TO THE NOTE TO COMPLETE CONSTRUCTION OF PREVIOUSLY AGREED-UPON IMPROVEMENTS ON THE PROPERTY. ALTHOUGH THIS DOCUMENT IS ENTITLED "LINE OF CREDIT TRUST DEED," BENEFICIARY IS UNDER NO OBLIGATION TO ADVANCE ANY SUMS IN EXCESS OF \$100,000.00, AND THIS DOCUMENT IS ENTITLED "LINE OF CREDIT TRUST DEED" TO COMPLY WITH THE PROVISIONS OF ORS 86.155(1)(b) and (2).

NOTICE TO RECORDER: THIS DOCUMENT SERVES AS A FIXTURE FILING UNDER THE OREGON UNIFORM COMMERCIAL CODE. This Financing Statement covers goods described herein by item or type some or all of which are affixed or are to be affixed to the real property described in Exhibit A to this document. For purposes

of this fixture filing the "Debtor" is the Grantor (as defined herein) and the "Secured Party" is the Beneficiary (as defined herein) and their respective addresses are set forth below.

THIS LINE OF CREDIT TRUST DEED, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND FIXTURE FILING (hereinafter "Deed of Trust") is given this October 24, 2019 by Timothy M. Howard, an unmarried man whose address is 1575 Horton Road, Dairy, Oregon 97625, as Grantor ("Grantor"), to AmeriTitle, as trustee whose address is 300 Klamath Avenue, Klamath Falls, Oregon 97601 ("Trustee"), for the benefit of American AgCredit, FLCA, a corporation existing and operating under the Farm Credit Act of 1971, as amended, having an office at P.O. Box 550, Alturas, California 96101, as beneficiary ("Beneficiary").

WITNESSETH: That Grantor IRREVOCABLY GRANTS, CONVEYS AND ASSIGNS unto said Trustee, in trust, with power of sale together with right of entry and possession the following described real property situated in the County of Klamath, State of Oregon:

Refer to Exhibit "A" attached hereto and incorporated herein by reference thereto.

TOGETHER WITH:

(1) all buildings, structures, equipment, fixtures (including, but not limited to, trees, vines and shrubs), machinery and improvements of every kind and description now or hereafter constructed or placed thereon; all standing timber and timber to be cut located thereon; all pumping plants, electrical generators, wind machines, and fencing and storage tanks, now or hereafter used in connection with the Property, all of which are hereby declared to be fixtures;

(2) all grazing rights, leases, permits and licenses; all oil, gas, and mineral leases to the extent owned by Grantor, permits and rights used with the Property; all oil, gas, and mineral interests to the extent owned by Grantor including royalty interests, rents, profits, bonus money, revenue, income, rights and benefits related to or arising out of the Property or the leasing thereof; and all tenements, hereditaments, easements, rights-of-way, and appurtenances to the Property;

(3) all carbon credits, carbon sequestration units, carbon financial instrument contracts, renewal energy credits and the like arising out of methane capture, carbon sequestration and renewal energy systems, including without limitation credits tradable under any greenhouse gases commodity exchange such as, by way of example and not limitation, trading units commonly referred to as Exchange Soil Offsets (XSOs), Exchange Methane Offsets (XMOs) and Exchange Forest Offsets (XFOs) under the Chicago Climate Exchange (CCX) (collectively, "Carbon Credits");

(4) the right, in the name of and on behalf of Grantor, to appear in and defend any action or proceeding brought with respect to the Property and to commence any action or proceeding to protect the interest of Beneficiary in the Property;

(5) all proceeds, products, substitutions and accessions (including claims and demands therefor) of each of the elements of the Property;

(6) all Water Assets (defined below);

(collectively, the "Property").

Water Assets: All right, title, and interest at any time of Grantor (or any of its bailers, agents, or instrumentalities), whether now existing or hereafter arising or acquired, whether direct or indirect, whether owned legally, of record, equitably or beneficially, whether constituting real or personal property (or subject to any other characterizations), whether created or authorized under existing or future laws or regulations, and however arising in, including without limitation, the following:

(a) All water (including any water inventory in storage), water rights and entitlements, other rights to water and other rights to receive water or water rights of every kind or nature whatsoever including (i) the groundwater on, under, pumped from or otherwise available to the Property, whether as the result of groundwater rights, contractual rights or otherwise, (ii) Grantor's right to remove and extract any such groundwater including any permits, rights or licenses granted by any governmental authority or agency or any rights granted or created by any use, easement, covenant, agreement, or contract with any person or entity, (iii) any rights to which the Property is entitled with respect to surface water, whether such right is appropriative, riparian, prescriptive, decreed or otherwise and whether or not pursuant to permit or other governmental authorization, or the right to store any such water, and (iv) any water, water right, water allocation, distribution right, delivery right, water storage right, or other water-related entitlement appurtenant or otherwise applicable to the Property by virtue of the Property being situated within the boundaries of any district, agency, or other governmental entity or within the boundaries of any private water company, mutual water company, or other non-governmental entity;

(b) All stock, interest or rights (including any water allocations, voting or decision rights) in any entity, together with any and all rights from any entity or other person to acquire, receive, exchange, sell, lease, or otherwise transfer any Water Assets, to store, deposit or otherwise create water credits in a water bank or similar or other arrangement for allocating water, to transport or deliver water, or otherwise to deal with any Water Asset;

(c) All licenses, permits, approvals, contracts, decrees, rights and interests to acquire or appropriate any Water Assets, water bank or other credits evidencing any right to Water Assets, to store, carry, transport or deliver Water Assets, to sell, lease, exchange, or otherwise transfer any Water Asset, or to change the point for diversion of water, the location of any Water Asset, the place of use of any Water Asset, or the purpose of the use of any Water Asset;

(d) All rights, claims, causes of action, judgments, awards, and other judicial, arbiter or administrative relief in any way relating to any Water Asset;

(e) All storage and treatment rights for any Water Asset, whether on or off the Property or other property of Grantor, together with all storage tanks, and other equipment used or usable in connection with such storage and any water bank deposit credits, deposit accounts or other rights arising on account of the storage or nonuse of any Water Asset;

(f) All rights to transport, carry, allocate or otherwise deliver Water Assets by any means wherever located;

(g) All irrigation and watering equipment and all systems, ditches, laterals, conduits, and rights-of-way used to convey such water or to drain the Property;

(h) All guaranties, warranties, marketing, management or service contracts, indemnity agreements, and water right agreements, other water related contracts and water reallocation rights, all insurance policies regarding or relating to any Water Asset; and

(i) All rents, issues, profits, proceeds and other accounts, instruments, chattel paper, contract rights, general intangibles, deposit accounts, and other rights to payment arising from or on account of any use, nonuse, sale, lease, transfer or other disposition of any Water Asset.

References to "water" and "water rights" are used herein in the broadest and most comprehensive sense of the term(s). The term "water" includes water rights and rights to water or whatever rights to money, proceeds, property or other benefits are exchanged or received for or on account of any Water Assets or any conservation or other nonuse of water, including whatever rights are achieved by depositing one's share of any Water Assets in any water bank or with any water authority, or any other water reallocation rights.

SECURITY AGREEMENT: To the extent that any of the Property, including without limitation any Water Asset or Carbon Credits, constitutes personal property, this Deed of Trust shall also be deemed to be a security agreement and Grantor does hereby create and grant to Beneficiary a security interest in all such personal property described herein, including, but not limited to, those items of personal property listed in Exhibit B attached hereto,] and further grants to Beneficiary all of the rights and remedies of a secured party under the Uniform Commercial Code as may be amended from time to time and other applicable state law, which rights are cumulative.

GRANTOR ABSOLUTELY AND UNCONDITIONALLY ASSIGNS, transfers, conveys and sets over to Beneficiary all the rents, royalties, issues, profits, revenue, income and other benefits of the Property arising from the use or enjoyment of all or any portion thereof, or from any lease, mineral lease to the extent owned by Grantor, or agreement pertaining to the Property (collectively the "Rents"); SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Grantor by Paragraph B.3 hereof. This assignment shall be perfected automatically without appointment of a receiver or Beneficiary becoming a mortgagee in possession.

FOR THE PURPOSE OF SECURING: (1) payment of the indebtedness or obligations evidenced by the following promissory note(s) payable by Grantor and/or others to the Beneficiary at the times, in the manner and with interest as therein set forth (**promissory notes may evidence a revolving line of credit and may contain variable or adjustable interest rate provisions and offer the ability to convert to other interest rate products**):

Face Amount	Dated
\$100,000.00	October 24, 2019

(2) the payment of such additional loans or advances, including advances under a revolving line of credit, with interest thereon, as hereafter may be made to Grantor, or Grantor's successors or assigns, evidenced by a promissory note, guaranty or otherwise; PROVIDED HOWEVER, THAT, such additional loans or advances shall be secured by this Deed of Trust only if the promissory note, guaranty, or other document evidencing such loans or advances shall recite that it is to be secured by this Deed of Trust; (3) the payment of any substitute notes, renewals, reamortizations, conversion agreements and extensions of all indebtedness secured by this Deed of Trust; (4) the performance of every obligation and agreement of Grantor whether contained or incorporated by reference in this Deed of Trust, or contained in any loan document or guaranty executed by Grantor in favor of Beneficiary, with respect to any loan or advance secured by this Deed of Trust; and (5) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms of this Deed of Trust, together with interest thereon as herein provided. The foregoing shall hereinafter collectively be referred to as the "Indebtedness". The continuing validity and priority of this Deed of Trust as security for future loans or advances shall not be impaired by the fact that at certain times hereafter there may exist no outstanding indebtedness from Grantor to Beneficiary or no commitment to make loans or advances.

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, GRANTOR AGREES:

1. To use loan proceeds solely for the purposes approved by Beneficiary. THE LOAN(S) SECURED HEREBY IS/ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES WITHIN THE MEANING OF ORS 86.150. GRANTOR COVENANTS, REPRESENTS AND WARRANTS TO BENEFICIARY THAT THIS DEED OF TRUST IS NOT AND WILL NOT AT ANY TIME CONSTITUTE A "RESIDENTIAL TRUST DEED" AS THAT TERM IS DEFINED AT ORS 86.705(3).

2. To keep the Property in good condition, working order and repair; care for the Property in accordance with standards of good husbandry and to keep all trees, vines and crops on the Property properly cultivated, irrigated, fertilized, sprayed, and fumigated; not to sell, transfer, assign, encumber or convey any water or water right from the Property, or to enter into an agreement for the nonuse of water, without the prior written consent of Beneficiary, not to remove, destroy or suffer the removal or destruction of any building, fence, canal, well or other improvements or fixtures thereon; not to remove, replace or alter any horticultural or viticultural tree, vine or shrub planted thereon without the prior written consent of Beneficiary, except in the ordinary course of business; to complete or restore

promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon; to comply with all laws, covenants and restrictions affecting the Property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon the Property in violation of law; to do all other acts which from the character or use of the Property may be reasonably necessary, the specific enumerations herein not excluding the general; to observe and perform all obligations of Grantor under any lease of the Property.

3. To provide, maintain and deliver to Beneficiary, "All Risk" or "Special Form" coverage, flood and all other types of insurance in terms and amounts as may be required by law or Beneficiary, with lender's loss payable endorsements solely in favor of Beneficiary. In the event of loss, the insurance proceeds, or any part thereof, may be applied by Beneficiary, at its option, to reduce the indebtedness or restore or repair the property damaged. Failure to obtain, maintain or deliver to Beneficiary the insurance required shall constitute a default under this Deed of Trust.

At least thirty (30) days prior to the expiration of any such policy of insurance, Grantor will deliver a policy renewing or extending such expiring insurance and written evidence demonstrating payment of the premium for such insurance. If any such policy and evidence of payment (or copies of same, if originals cannot be delivered to Beneficiary) are not so delivered to Beneficiary, without notice to or demand upon Grantor and without releasing Grantor from any obligation under this Deed of Trust, Beneficiary may (but is not obligated to), at Grantor's expense, obtain insurance in such types, on such terms and in such amounts as Beneficiary in its sole discretion shall decide, through or from any insurance agency or company acceptable to it. Any insurance obtained by Beneficiary shall be for its sole benefit and to protect the security of this Deed of Trust. The expense and cost of such insurance shall, at Beneficiary's sole option, be payable on demand or added to the Indebtedness as provided herein. Trustee nor Beneficiary shall not be chargeable with or responsible for the procurement or maintenance of any such insurance, the collection of any proceeds from such insurance, or the insolvency of any insurance company or underwriter.

4. To appear in and litigate any action or proceeding purporting to affect the security hereof, the title to the Property, or the rights or powers of Beneficiary or Trustee. Beneficiary or Trustee may appear in and litigate any such action or proceedings, including any bankruptcy, partition or condemnation proceeding, affecting the Property, or Beneficiary's interest therein, in which event Grantor agrees to pay all costs and expenses thereof, including attorney's fees (including those associated with any bankruptcy, receivership or appellate proceeding) and costs of securing evidence of title.

5. To pay on or before the due date all taxes and assessments affecting the Property, including all assessments upon water company stock and all rents, assessments and charges for water, appurtenant to or used in connection with the Property; to pay, when due, all encumbrances, charges, and liens, on the Property or any part thereof, which at any time appear to be prior or superior hereto.

6. In the event that Beneficiary utilizes the services of attorneys, accountants, appraisers, consultants, or other professional or outside assistance, including the services of in-house counsel or any other attorney or professional who is a direct employee of Beneficiary, the reasonable amount of expenses incurred by Beneficiary to utilize such persons in connection with any of the following shall be payable on demand and Beneficiary may, at its option, add the amount of such expenses to any portion of the Indebtedness, and charge interest on such amount at the interest rate applicable to such portion of the Indebtedness:

(a) The preparation or modification of this Deed of Trust, or any other agreement or document incident to the Indebtedness;

(b) Advising Beneficiary concerning its legal rights and obligations with regard to the Deed of Trust, the other agreements incident to the Indebtedness, or the Property, including advising Beneficiary with regard to the extent of Grantor's rights, if any, under the provisions of the Farm Credit Act, any policy or program of Beneficiary, or any state or federal law;

(c) Any litigation, dispute, proceeding, or action, whether instituted by Beneficiary, Grantor or any other person, relating to the Indebtedness, the Property or Grantor's affairs and including, but not limited to, any appellate proceeding;

(d) The furtherance of Beneficiary's interest in any bankruptcy, insolvency, or reorganization case or proceeding instituted by or against Grantor, including any steps to (i) modify or terminate the automatic stay, (ii) prohibit or condition Grantor's use of cash collateral, (iii) object to any disclosure statement or plan, (iv) propose or confirm a plan, and (v) prosecute or defend adversary proceedings or contested matters, and take or defend examinations or discovery, whether or not related to any adversary proceeding or contested matter;

(e) The inspection, verification, protection, collection, processing, sale, liquidation, or disposition of the Property; or

(f) Any of the type of expenses referred to in (a) through (e) above incurred by Beneficiary in connection with any guaranty of the Indebtedness.

The fees and costs described herein and elsewhere in this Deed of Trust shall be in addition to those set forth in the loan agreement or any other written agreement between Grantor and Beneficiary.

7. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation to do so and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the Property, Beneficiary or Trustee being authorized to enter upon the Property for such purposes; commence, appear in and litigate any action or proceeding purporting to affect the Property or the rights or powers of Beneficiary or Trustee, including any bankruptcy proceeding affecting the Property; 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, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefore, including attorney's, accountant's, and appraisal fees, environmental fees, costs of securing evidence of title, and the costs of obtaining a third party contract to monitor the payment of taxes and assessments affecting the Property and all amounts so expended shall be obligations of Grantor secured by this Deed of Trust and shall bear interest at the rate of 15% per annum from the date expended until paid. Nothing contained herein shall prohibit Beneficiary from entering the Property, at a reasonable time and upon reasonable notice to Grantor, without incurring or assuming any obligations or liabilities whatsoever, for the sole purpose of inspecting the Property.

8. 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 same rate as is provided for in the note or notes secured by this Deed of Trust or guaranteed by the continuing guaranty or continuing guaranties secured by this Deed of Trust. In the event that such sums are not immediately paid, they shall be added, along with the appropriate amount of capital stock or participation certificates, to the principal balance of the Indebtedness and shall accrue interest as therein set forth. All such sums shall be secured hereby.

9. Environmental Laws and Hazardous Substances.

(a) As used in this Paragraph 9:

(i) "Environmental Laws" shall mean all federal, state and local laws, ordinances, rules and regulations now or hereafter in force, as amended from time to time, in any way relating to or regulating human health or safety, industrial hygiene or protection of the environment.

(ii) "Hazardous Substances" shall mean any substance or material that is described, designated or regulated as a toxic or hazardous substance, waste or material or a pollutant or contaminant, or words of similar import, in any of the Environmental Laws.

(iii) "Release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment, including continuing migration, of Hazardous Substances into, onto or through the soil, surface water or groundwater of the Property, whether or not caused by, contributed to, permitted by, acquiesced to or known to Grantor.

(iv) "User" shall mean any person other than Grantor who occupies, uses or comes onto or has occupied, used or come onto the Property or any part thereof and any agent or contractor of such a person.

(b) Grantor represents and warrants to Beneficiary that as of the date of this Deed of Trust and to the best of Grantor's knowledge, based on due inquiry and investigation:

(i) except as previously disclosed in writing by Grantor to Beneficiary (A) no Hazardous Substances in excess of permitted levels or reportable quantities under applicable Environmental Laws are present in, on or under the Property or any nearby real property which could migrate to the Property, (B) no Release or threatened Release exists or has occurred, (C) neither Grantor nor any User has ever used the Property or any part thereof for the production, manufacture, generation, treatment, handling, storage, transportation or disposal of Hazardous Substances, (D) no underground, surface or elevated storage tanks of any kind, wells (except domestic water wells), septic tanks, pits, ponds or other impoundments ("Tanks") are or ever have been located in or on the Property, and (E) no investigation, claim, demand, action or proceeding of any kind relating to any Release or threatened Release or any past or present violation of any Environmental Laws relating to the Property has been made or commenced, or is pending, or is being threatened by any governmental authority or other person;

(ii) all operations and activities at, and the use and occupancy of, the Property comply with all applicable Environmental Laws;

(iii) Grantor and every User has, and is in strict compliance with, every permit, license and approval required by all applicable Environmental Laws for all activities and operations at, and the use and occupancy of, the Property;

(iv) neither the Property, nor any portion thereof, nor any adjacent property or portion thereof, has been or is proposed to be listed under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601, et seq.), or any analogous state law; and

(v) any written disclosure submitted by or on behalf of Grantor to Beneficiary at Beneficiary's request concerning any Release or threatened Release, past or present compliance by Grantor, User or any other person of any Environmental Laws applicable to the Property, the past and present use and occupancy of the Property, any environmental concerns relating to the Property and the like was true and complete when submitted.

(c) Grantor agrees that:

(i) Except in the ordinary course of business, in a good and husbandlike manner and in strict compliance with all applicable Environmental Laws, Grantor promises that neither Grantor nor any User shall use, produce, manufacture, generate, treat, handle, store, transport, or dispose of any Hazardous Substances in, on or under the Property, or use the Property for any such purposes;

(ii) Grantor shall not cause, contribute to, permit or acquiesce to any Release or threatened Release;

(iii) Grantor shall comply fully, and shall cause every User to comply fully, with all Environmental Laws applicable to the Property, and all other laws, ordinances and regulations applicable to the use or occupancy thereof, or any operations or activities therein or thereon;

(iv) With respect to any Tanks disclosed in writing to Beneficiary, Grantor shall comply with all Environmental Laws and any requirements of city or county fire departments, applicable to the maintenance and use of such Tanks, including, without limitation, Title 40 of the Code of Federal Regulations part 112;

(v) To facilitate performance of Grantor's obligations under Paragraph 9(c)(i), (ii), (iii) and (iv) of this Deed of Trust, Grantor shall regularly inspect the Property, monitor the activities and operations of every User and confirm that every User has obtained and fully complies with all permits, licenses and approvals required by all applicable Environmental Laws;

(vi) Immediately after Grantor obtains any information indicating any Release or threatened Release, or that Hazardous Substances in, on or under any nearby property could migrate to the Property or a violation of any Environmental Laws may have occurred or could occur regarding the Property, Grantor shall give notice thereof to Beneficiary with a reasonably detailed description of the event, occurrence or condition in question;

(vii) If Beneficiary obtains any information that Beneficiary believes in good faith indicates a reasonable possibility of a Release or threatened Release, or that Hazardous Substances in, on or under any nearby real property could migrate to the Property or any violation of any Environmental Laws may have occurred or could occur regarding the Property, then Grantor shall, at the expense of Grantor, promptly after a request by Beneficiary, or Beneficiary may at Grantor's expense any time prior to completion of a judicial or nonjudicial foreclosure, engage a qualified environmental engineer to conduct a comprehensive environmental assessment of the Property and prepare and submit to Beneficiary a written report containing the findings and conclusions resulting from such investigation. Grantor shall, on demand, pay to Beneficiary all sums expended by Beneficiary in connection with any such comprehensive environmental assessment, together with interest thereon after such demand at the interest rate as set forth in the applicable promissory note(s) evidencing the Indebtedness;

(viii) Grantor shall permit, or cause any User to permit, Beneficiary or its agents or independent contractors to enter and inspect the Property (including the taking of building materials, soil and groundwater samples) at any reasonable time and after reasonable notice, except in an emergency, whether or not a default has occurred under this Deed of Trust, and including after the commencement of judicial or nonjudicial foreclosure proceedings, for purposes of determining, as Beneficiary deems necessary or desirable: the existence, location or nature of any Hazardous Substances into, onto, or spread beneath or from the Property, that is located or has been spilled, disposed of, discharged or released on, under or about the Property. Grantor acknowledges that all inspections and reviews undertaken by Beneficiary are solely for the benefit and protection of Beneficiary and agrees that Beneficiary shall have no duty to Grantor with respect to Hazardous Substances or Environmental Laws as a result of any such inspections, and such inspections shall not result in a waiver of any default by Grantor. If Grantor or any User fails to comply fully with the terms of this section, Beneficiary may obtain affirmative injunctive relief to compel such compliance; and

(ix) If any Release or threatened Release exists or occurs before this Deed of Trust is reconveyed or foreclosed upon, or if Grantor is in breach of any of its representations, warranties or covenants as set forth in this Section 9, Grantor shall immediately give notice of the condition to Beneficiary, and Grantor shall at its own expense cause all Hazardous Substances to be cleaned up and removed from the Property, and the Property shall be restored, in compliance with all applicable Environmental Laws and other laws, ordinances, rules and regulations (the "Remediation Work"). If requested by Beneficiary, Grantor shall submit to Beneficiary, for Beneficiary's prior approval, complete plans and specifications for all Remediation Work to be done before any Remediation Work is performed, except in an emergency. Alternatively, Beneficiary may cause such Remediation Work to be completed at Grantor's expense.

(d) Beneficiary shall have the right, but not the obligation, to advise appropriate governmental authorities of any environmental condition on or affecting the Property that constitutes or may constitute a breach of Grantor's obligations hereunder.

(e) Grantor and its successors and assigns shall indemnify, defend, protect, and hold harmless Beneficiary and/or Trustee, its directors, officers, employees, agents, shareholders, successors and assigns and their officers, employees or agents, from and against any and all claims, suits, damages, foreseeable and unforeseeable consequential damages, liens, losses, liabilities, interest, judgments, cleanup costs, demands, actions, causes of action, injuries, administrative proceedings and orders, consent agreements and orders, penalties, costs and expenses (including any fees and expenses incurred in enforcing this indemnity, any out-of-pocket litigation costs, sums paid in settlement of claims, and all consultant, expert and the reasonable fees and expenses of counsel, including in-house legal services) of any kind whatsoever ("Claims") paid, incurred or suffered by, or asserted against Beneficiary and/or Trustee, including but not limited to Claims arising out of loss of life, injury to persons, trespass or damage to or contamination of property or natural resources, or injury to business, in connection with or arising out of the activities of Grantor on the Property, Grantor's predecessors in interest, third parties who have been invited, permitted or trespassed on the Property, or parties in a contractual relationship with Grantor, or any of them, or which directly or indirectly arise out of or result from or in any way connected with the Property, whether or not caused by Grantor or within the control of Grantor, including without limitation: (i) the presence, use, generation, treatment, storage, disposal, Release, threatened Release, or discharge of any Hazardous Substances at or from said Property and/or the cleanup of Hazardous Substances within, on or under the Property; (ii) Grantor's breach of any of the representations, warranties and covenants contained herein; and (iii) Grantor's violation or alleged violation of any applicable Environmental Law, regulation or ordinance.

(f) Grantor's representations, warranties, covenants and indemnities contained herein shall survive the occurrence of any event whatsoever, including without limitation the payoff of the Indebtedness secured hereby, the reconveyance or foreclosure of this Deed of Trust, the acceptance by Trustee of a deed in lieu of foreclosure, or any transfer or abandonment of the Property.

10. Water Rights. All water used on, or water rights arising from or related to the Property is deemed to be real property and is not personal property. Grantor represents that Grantor is not in the business of transferring water and, therefore, any sale or transfer of any water or water rights is not a transfer of goods in the ordinary course of business. Grantor further agrees that in no event will any water or water rights be goods identified to a contract. Grantor hereby acknowledges that any severance of water or water rights from the Property would materially harm the Property.

11. Grantor shall not remove any of the Property from its present location, except in the ordinary course of its business as presently conducted, without first notifying the Beneficiary.

12. Grantor represents, warrants, covenants and agrees that:

(a) If Grantor is an individual, Grantor will not change Grantor's name or place of residence without immediately giving Beneficiary written notice of such change, and in no event shall such notice be more than fifteen (15) days after such change.

(b) If Grantor is a business entity, Grantor will not change Grantor's name or principal place of business without immediately giving Beneficiary written notice of such change, and in no event shall such notice be more than fifteen (15) days after such change.

(c) If the Grantor is a trustee of a Trust, the trustee(s) will not change their individual name(s) or place(s) of residence without immediately giving Beneficiary written notice of such change, and in no event shall such notice be more than fifteen (15) days after such change.

(d) To the extent that any Grantor is a corporation, partnership, joint venture, limited liability company, or limited liability limited partnership, Grantor will not change Grantor's name or principal place of business, registration or incorporation.

(e) Grantor will not deliver any Property under any consignment or bailment without first obtaining the consent of Beneficiary and executing such additional documents as Beneficiary may require to continue and perfect

the security interests granted herein. Grantor agrees to cooperate with Beneficiary in obtaining control agreements, bailee acknowledgements and/or other acknowledgements and agreements deemed necessary or advisable by Beneficiary.

(f) To the extent that any Grantor is a corporation, Grantor's name and state of incorporation as stated in the introductory paragraph of this Deed of Trust is its exact legal name and state of incorporation, it is duly organized, existing and in good standing under the laws of said state, and the officers executing this Deed of Trust and all agreements relating to the Indebtedness are duly in office and fully authorized to execute them.

(g) To the extent that any Grantor is a partnership, joint venture, or limited liability company, its name and state of organization or registration as stated in the introductory paragraph of this Deed of Trust is its exact legal name and state of organization or registration, it is duly organized and existing under the laws of said state, and the individuals executing this Deed of Trust and all agreements relating to the Indebtedness are fully authorized to execute the same and no other signature is necessary in order to bind the Grantor.

(h) To the extent that any Grantor is an individual, each Grantor represents that his, her, or its name as shown in the introductory paragraph of this Deed of Trust is correct, that he, she or it uses no other name or names, and that the address as shown on the signature page of this Deed of Trust is his, her or its principal place of residence or principal place of business.

B. IT IS MUTUALLY AGREED THAT:

1. Any award of damages in connection with any taking or condemnation or injury to the Property by reason of public use, or for damages resulting from private trespass or injury to the Property, is absolutely and unconditionally assigned and shall be paid to Beneficiary, under the terms and conditions of this Deed of Trust pertaining to Rents. Upon receipt of such money Beneficiary may apply the same on the Indebtedness. Grantor agrees to execute such further documents as may be required to effect the assignments herein made as Beneficiary or Trustee may require.

2. At any time, without affecting the liability of any person for the payment of the Indebtedness, and without otherwise affecting the security hereof, Trustee may (a) consent to or join in the making of any map or plat of the Property; (b) grant any easement or create any restriction thereof; (c) subordinate this Deed of Trust; (d) extend or modify the term of the loan or loans secured hereby; and (e) reconvey without warranty, all or any part of the Property. Grantor agrees to pay reasonable Trustee's fees for any of the foregoing services.

3. Prior to any default by Grantor in the payment, observance, performance and discharge of any condition, obligation, covenant, or agreement of Grantor contained herein, Grantor may, as the agent and fiduciary representative of Beneficiary for collection and distribution purposes only, collect and receive the Rents as they come due and payable; the Rents are to be applied by Grantor to the payment of the Indebtedness and to the payment of all other sums payable under this Deed of Trust and, thereafter, so long as aforesaid has occurred, the balance shall be distributed to the account of Grantor. However, Beneficiary shall have the right before or after the occurrence of any default to notify any account debtor to pay all amounts owing with respect to Rents directly to Beneficiary. Upon any default, 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, enter upon and take possession of the Property or any part thereof, in his own name, sue for or otherwise collect such Rents, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees (including those associated with any bankruptcy or appellate proceeding), upon any Indebtedness, and in such order as Beneficiary may determine; also perform such acts of repair, cultivation, irrigation or protection, as may be necessary or proper to conserve the value of the Property; also lease the same or any part thereof for such rental, term, and upon such conditions as its judgment may dictate; also prepare for harvest, remove, and sell any crops that may be growing upon the Property, and apply the proceeds thereof upon the Indebtedness.

4. The entering upon and taking possession of the Property, the collection of Rents, or the proceeds of fire and other insurance policies, or compensation or awards for any taking of or damage to 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.

5. Upon default by Grantor in payment of all or a portion of the Indebtedness or in performance of any agreement hereunder or in the performance of any agreement pertaining to the Indebtedness or the breach of any representation, covenant or warranty (each a "default"), the Indebtedness shall immediately become due and payable at the option of the Beneficiary and in accordance with applicable state law. In the event of default, Beneficiary may employ counsel to enforce payment of the Indebtedness, may cause the Trustee to sell the Property in accordance with the power of sale granted herein and the applicable state law, and may exercise such other rights and remedies granted under this Deed of Trust or by law and equity, which rights and remedies shall be cumulative and not exclusive. Trustee may sell the Property as a whole or in separate parcels, and in such order as it may determine. The purchase price shall be payable in lawful money of the United States at the time of the sale. In exercising the power of sale contained herein, Trustee may hold one or more sales of all or any portion of the Property by public announcement at the time and place of sale set forth in the notice thereof, and from time to time thereafter may postpone such sale or sales of all or any portion of the Property to the same or separate days by public announcement at such time fixed by the preceding postponement. Any person, including Trustee or Beneficiary, may purchase at such sale. Beneficiary may credit bid at any such sale, and if Beneficiary is the successful purchaser, it may apply any of the outstanding Indebtedness in settlement of the purchase price. Beneficiary may resort to and realize upon the security hereunder and any other real or personal property security now or hereafter held by Beneficiary for the Indebtedness in such order and manner as Beneficiary may, in its sole discretion, determine; or may resort to any or all such security may be taken concurrently or successively and in one or several consolidated or independent judicial actions or lawful nonjudicial proceedings, or both. If the Indebtedness is also secured by personal property, fixtures or crops, Beneficiary may enforce its security interest in the personal property, fixtures and crops and its lien under this Deed of Trust in any manner and in any order or sequence permitted by applicable law and the Uniform Commercial Code. Beneficiary shall have no duty or obligation to clean-up or otherwise prepare the personal property for sale. If Beneficiary elects to sell all or any portion of the personal property, Beneficiary is authorized to disclaim all warranties in connection with said sale. All remedies are cumulative and none are exclusive; no election by Beneficiary to pursue one remedy or item of collateral shall be deemed to be a release or waiver of any other item of collateral or a release or modification of the inability of Grantor or any guarantor to pay all Indebtedness or perform in full all obligations to Beneficiary. The procedures governing the enforcement by Beneficiary of its foreclosure and provisional remedies against Grantor shall be governed by the laws of the state in which the Property is located. Nothing contained herein shall be construed to provide that the substantive law of the state in which the Property is located shall apply to the Beneficiary's rights and the Grantor's obligations hereunder or under the promissory note(s), which are and shall continue to be governed by the substantive law of the state in which the promissory note was executed.

6. The failure on the part of the Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Beneficiary of any default shall not constitute a waiver of any other or subsequent defaults. Subsequent acceptance of any payment by the holder hereof shall not be deemed a waiver of any default by Grantor, or of Beneficiary's rights hereunder as the result of any sale, agreement to sell, conveyance, or alienation, regardless of holder's knowledge of such default, sale, agreement to sell, conveyance, or alienation at the time of acceptance of such payment.

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 any note or guaranty 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. All obligations of Grantor hereunder are joint and several.

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. This provision shall not act as a waiver of Grantor's right to notification of the Beneficiary's sale of personal property as granted in the Uniform Commercial Code.

9. Beneficiary may, from time to time or at any time, substitute a Trustee or Trustees to execute the trust hereby created, and when any such substitution has been filed for record in the office the recorder of the county in which the Property herein described 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.

10. (a) In the event the Property, or any part thereof, or any interest therein, is sold, agreed to be sold, conveyed, alienated or further encumbered subject to any lien or charge, voluntarily or involuntarily, contractual or statutory, or transferred, including any sale of Carbon Credits or any water transfer as defined in subsection (b) below, by Grantor, or by operation of law or otherwise, without Beneficiary's prior written consent, the same shall be a default and all Indebtedness, regardless of the maturity dates, at the option of the holder hereof, and without demand or notice, shall immediately become due and payable. Failure to exercise such option shall not constitute a waiver of the right to exercise this option in the event of subsequent sale, agreement to sell, conveyance or alienation.

(b) A water transfer is any transfer, assignment, sale, agreement to sell, conveyance, exchange, gift, encumbrance, pledge, hypothecation, alienation, grant of option to purchase, or other disposition of, directly, indirectly or in trust, voluntarily or involuntarily, by operation of law or otherwise, or the entry into a binding agreement to do any of the foregoing with respect to all or any part of any existing or hereafter created or acquired Water Assets.

(c) Grantor shall provide to Beneficiary upon request copies of any and all instruments in its possession or control, or to which it has access, pursuant to which the Grantor, or any predecessor-in-interest to Grantor, reserved, conveyed or leased any coal, oil, petroleum, gas or other mineral rights (collectively, "mineral rights"), or any portion thereof, in, on or under the Property to any third party, including any modifications, amendments, or addenda to said instruments. Grantor shall provide to Beneficiary prompt notice of (a) any reservation, sale, lease or other transfer of any minerals in, on or under the Property occurring after the date hereof, and (b) the commencement by Grantor or any third party of any action to exploit any mineral rights in, on or under the Property, including the mining or other removal thereof and further including any preparatory work such as, without limitation, the installation of roads, wells, pipelines or other equipment (individually and collectively, a "Mineral Exploitation Event"). If any Mineral Exploitation Event occurs after the date hereof, Beneficiary shall have the right, at its sole option, exercisable by written notice to Grantor, to declare all Indebtedness, regardless of maturity date, immediately due and payable. Notwithstanding the foregoing, if the Exploited Parcel(s) constitute one or more separate legal parcels not necessary for the continuing use of the remainder of the Property, Beneficiary may at its sole option, exercisable by written notice to Grantor, to declare a portion of the Indebtedness (the "Accelerated Loan Amount") immediately due and payable equal to 110% of the value of the parcel or parcels overlying the mineral estate (whether created by reservation, grant or lease) within which the Mineral Exploitation Event occurred or is occurring (the "Exploited Parcels"). The value of the Exploited Parcel(s) shall be determined by Beneficiary in its sole but reasonable discretion using any reasonable method of valuation. Beneficiary shall, subject to receipt of the Accelerated Loan Amount, release the Exploited Parcels from the lien of this Deed of Trust.

11. If any portion of the Property is determined to be personal property, the Grantor has granted the Beneficiary a security interest therein and Beneficiary shall have all of the rights and remedies of a secured creditor under the Uniform Commercial Code. Grantor hereby authorizes Beneficiary to file the required Uniform Commercial Code financing statements, amendments, continuation statements and/or termination statements to perfect, amend, continue or terminate its security interest in the Property or any part thereof. Grantor further authorizes Beneficiary to file, with or without any additional signature from Grantor, as Beneficiary may elect, such amendments and continuation statements as Beneficiary may deem necessary or desirable from time to time to perfect or continue such lien.

12. In the event any one or more of the provisions contained in this Deed of Trust or in any promissory note or guaranty hereby secured shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceable shall not affect any other provision of this Deed of Trust or said promissory note or guaranty, but this Deed of Trust and said promissory notes or guaranties shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

13. Grantor agrees that he/she is entitled only to those notices required by applicable law and requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Grantor at the address set forth below.

[Remainder of this page intentionally left blank.]

OREGON NOTICES:

ORS 41.580 DISCLOSURE. UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY LENDER AFTER OCTOBER 3, 1989, CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES, OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF LENDER TO BE ENFORCEABLE.

WARNING (ORS 93.040): BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. 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 VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Beneficiary's Right to Force-Place Insurance Coverage.

WARNING (ORS 746.201): UNLESS GRANTOR PROVIDES BENEFICIARY WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED BY OUR CONTRACT OR LOAN AGREEMENT, BENEFICIARY MAY PURCHASE INSURANCE AT GRANTOR'S EXPENSE TO PROTECT BENEFICIARY'S INTEREST. THIS INSURANCE MAY, BUT NEED NOT, ALSO PROTECT GRANTOR'S INTEREST. IF THE COLLATERAL BECOMES DAMAGED, THE COVERAGE BENEFICIARY PURCHASES MAY NOT PAY ANY CLAIM GRANTOR MAKES OR ANY CLAIM MADE AGAINST GRANTOR. GRANTOR MAY LATER CANCEL THIS COVERAGE BY PROVIDING EVIDENCE THAT GRANTOR HAS OBTAINED PROPERTY COVERAGE ELSEWHERE.

GRANTOR IS RESPONSIBLE FOR THE COST OF ANY INSURANCE PURCHASED BY BENEFICIARY. THE COST OF THIS INSURANCE MAY BE ADDED TO GRANTOR'S CONTRACT OR LOAN BALANCE. IF THE COST IS ADDED TO GRANTOR'S 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 GRANTOR'S PRIOR COVERAGE LAPSED OR THE DATE GRANTOR FAILED TO PROVIDE PROOF OF COVERAGE.

THE COVERAGE BENEFICIARY PURCHASES MAY BE CONSIDERABLY MORE EXPENSIVE THAN INSURANCE GRANTOR CAN OBTAIN ON ITS OWN AND MAY NOT SATISFY ANY NEED FOR

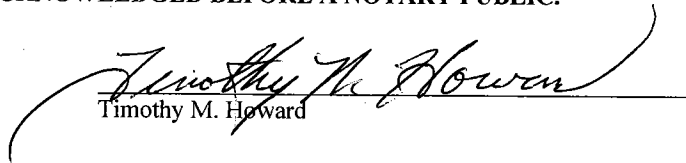
PROPERTY DAMAGE COVERAGE OR ANY MANDATORY LIABILITY INSURANCE REQUIREMENTS IMPOSED BY APPLICABLE LAW.

GRANTOR ACKNOWLEDGES RECEIPT OF THESE ORS 93.040, ORS 41.580 AND ORS 746.201(2) DISCLOSURES.

[Remainder of this page intentionally left blank.]

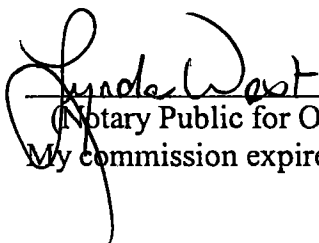
ALL SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.

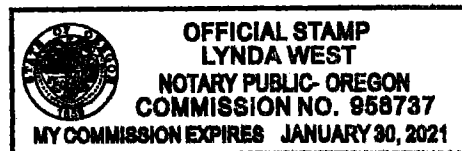
1575 Horton Road
Dairy, Oregon 97625


Timothy M. Howard

State of Oregon
County of Klamath

This instrument was acknowledged before me on November 8, 2019.
By Timothy M Howard


(Notary Public for Oregon)
My commission expires 1-30-21



**Attachment to Line of Credit Trust Deed of Trust,
Security Agreement, Assignment of Rents and Fixture Filing
Timothy M. Howard
October 24, 2019
Page 1 of 1**

EXHIBIT "A"

Parcel 1:

The S1/2 of the SE1/4 and the S1/2 of the NE1/4 of the SE1/4 of Section 34, Township 38 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon

Parcel 2:

The North 1/2 of Government Lots 1 and 2 of Section 3, Township 39 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon.

SAVE AND EXCEPTING all that portion of the North 1/2 of said Government Lot 2 lying Westerly of the County Road as located across said lot on April 6, 1957

Parcel 3:

The S1/2 of the NW1/4 of the SE1/4 of Section 34, Township 38 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon