

2019-013791

Klamath County, Oregon

11/25/2019 03:17:02 PM

Fee: \$182.00

**THIS INSTRUMENT WAS
PREPARED BY AND AFTER
RECORDING SHOULD BE
RETURN TO:**

**Finance of America Commercial LLC
6230 Fairview Rd Suite 300
Charlotte, NC 28210**

STATUTORY NOTICE:

The name and address of the entity holding a
lien or other interest created by this instrument
is set forth below and the tax account
number(s) of the property subject to the lien or
in which the interest is created is:

Tax Account No.

Klamath County, Oregon

[LINE OF CREDIT INSTRUMENT

**Maximum Principal Amount: \$116,000.00. Maximum Principal Amount May Be Exceeded
To Complete Construction Pursuant To ORS 86.155.]**

**COMMERCIAL DEED OF TRUST, ASSIGNMENT OF
LEASES AND RENTS, SECURITY AGREEMENT, FINANCING STATEMENT AND
FIXTURE FILING**

BY

Richard Baker

as Grantor (referred to herein as "Trustor"),

TO

Clear Recon Corp.

as Trustee,

FOR THE BENEFIT OF

**FINANCE OF AMERICA COMMERCIAL LLC,
as Beneficiary**

Dated: As of 11/25/2019

Effective: As of 11/25/2019

Location of Property: : 2609 Berkeley St Klamath Falls, OR 97601, Klamath County, Oregon

Maturity Date: 12/01/2020

PORTIONS OF THE PROPERTY ARE GOODS WHICH ARE OR ARE TO BECOME AFFIXED TO OR FIXTURES ON THE PREMISES DESCRIBED IN OR REFERRED TO IN EXHIBIT A. THIS DEED OF TRUST IS TO BE FILED FOR RECORD OR RECORDED IN THE REAL ESTATE RECORDS OF EACH COUNTY (OR, TO THE EXTENT SIMILAR RECORDS ARE MAINTAINED AT THE CITY OR TOWN LEVEL INSTEAD OF THE COUNTY LEVEL, EACH SUCH CITY OR TOWN) IN WHICH SAID PREMISES OR ANY PORTION THEREOF IS LOCATED.

NOTICE TO RECORDER: This document constitutes a fixture filing in accordance with the Uniform Commercial Code.

THIS COMMERCIAL DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, FINANCING STATEMENT AND FIXTURE FILING (hereinafter referred to as this "Deed of Trust") is dated as of **11/25/2019**, the date set forth on the notary acknowledgment hereto, and effective as of **11/25/2019** (the "Effective Date"), from **Richard Baker**, with a mailing address and principal place of business at **61274 Huckleberry PL , Bend, OR 97702** as Grantor, referred to herein as "Trustor", to **Clear Recon Corp.**, whose address is **111 SW Columbia Street, Suite 950, Portland, OR 97201** ("Trustee") for the benefit of Finance of America Commercial LLC, a Delaware limited liability company, with a mailing address and principal place of business located at **6230 Fairview Rd Suite 300, Charlotte, NC 28210**, in its capacity as lender under the Loan Agreement (as defined below) and beneficiary (in such capacity, together with its successors and assigns, hereinafter referred to as "Beneficiary"). Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Loan Agreement (as defined below).

I.
RECITALS

WHEREAS, Trustor is the owner of fee simple title in and to the real property located in **Klamath County, OR** (the "State"), described in Exhibit A attached hereto and made a part hereof (the "Premises"), which Premises forms a portion of the Property defined below.

WHEREAS, reference is made to that certain Commercial Loan Agreement dated as of the Effective Date (as amended, supplemented, restated or otherwise modified from time to time, the "Loan Agreement"), by and among Trustor and Beneficiary, pursuant to which Beneficiary made to Trustor the Loan (as defined in the Loan Agreement), which Loan is evidenced by the Promissory Note, dated as of **11/25/2019**, in the original principal amount of **One Hundred Sixteen Thousand Dollars and Zero Cents (\$116,000.00)**, with a maturity date of **12/01/2020** (unless renewed or extended) (the "Note"). Trustor has agreed to execute and deliver this Deed of Trust as a condition to the execution and delivery of the Loan Agreement.

II.
GRANT

NOW, THEREFORE, in order to secure the Secured Obligations (as defined below), and in consideration of Ten and NO/100 Dollars (\$10.00) in hand paid by Beneficiary to Trustor, the Recitals above stated, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Trustor hereby GRANTS, BARGAINS, SELLS, ASSIGNS, RELEASES, ALIENS, TRANSFERS, WARRANTS, DEMISES, CONVEYS and MORTGAGES unto Trustee, in trust for the benefit of Beneficiary and Beneficiary's heirs, successors and assigns, forever, and grants unto Trustee for the benefit of Beneficiary and Beneficiary's successors and assigns, forever, a continuing security interest in and to, all of Trustor's estate, right, title, claim and interest in and to the Premises, together with all of Trustor's estate, right, title, claim and interest in and to the Property (as defined in Exhibit B), all of which other property is pledged primarily on a parity with the Premises and not secondarily.

"Secured Obligations" shall mean the Obligations (as defined in the Loan Agreement), and shall include, and be deemed to include, (i) all unpaid principal of, and accrued and unpaid interest on

the Loan (including any future advances made after the Effective Date), (ii) all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations and indebtedness (including interest and fees accruing during the pendency of any bankruptcy, insolvency, administration, examinership, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), and (iii) the performance of obligations and satisfaction of liabilities of Trustor and any guarantor to Beneficiary (whether existing on the Effective Date or arising thereafter, direct or indirect, joint or several, absolute or contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured, arising by contract, operation of law or otherwise) arising or incurred under this Deed of Trust, the Loan Agreement or any of the other Loan Documents or otherwise in respect of the Loans.

TO HAVE AND TO HOLD the Property and all parts thereof hereby granted or mentioned and intended so to be, with the appurtenances, unto Trustee for the benefit of Beneficiary, and its successors and assigns, upon the terms hereof.

Trustor represents and warrants that (i) Trustor has good and marketable fee simple title to the Premises and good and valid title to the other Property, (ii) this Deed of Trust constitutes a valid, enforceable, first priority deed of trust on the Premises, and security interest in, the Property, (iii) Trustor has the right and authority to mortgage, convey and assign the Property and perform its obligations hereunder, and (iv) Trustor's interest in and to the Property is unencumbered by any liens, security interests, or other encumbrances or similar matters that would or may reasonably be expected to adversely affect the value of the Property, whether recorded or unrecorded, and whether statutory or contractual (collectively, "Liens") and Trustor will warrant and defend generally the title to the Property against all lawful claims and demands.

III. GENERAL AGREEMENTS

3.1 Payment of Indebtedness. Trustor shall pay promptly and when due all amounts owing by Trustor in respect of the Secured Obligations at the times and in the manner provided in the Loan Documents.

3.2 Performance of Covenants. Trustor shall perform each and every covenant and other obligation set forth in the Loan Agreement, as and when due, including without limitation, to: (a) comply with all applicable laws pursuant to Section 4.1 of the Loan Agreement, (b) pay all Taxes and Other Charges on the Property prior to delinquency pursuant to Section 4.2 of the Loan Agreement, (c) maintain Required Insurance and surrender any insurance proceeds in respect of the Property to Lender pursuant to Sections 4.3 and 4.4 of the Loan Agreement, (d) ensure no Liens are incurred with respect to the Property, and (e) not permit any Transfer of the Property as provided in Section 4.5 of the Loan Agreement. Trustor shall additionally: (i) not subdivide the Premises into additional parcels, and (ii) not initiate or acquiesce in any change in zoning or other land use classification.

3.3 Assignment of Leases and Rents.

(a) All right, title, and interest of Trustor in and to all Leases and Rents are hereby transferred and assigned simultaneously herewith to Beneficiary. Such assignment shall be a

present and absolute assignment, but Beneficiary shall not exercise any of the rights with respect thereto until an Event of Default shall exist.

(b) Following the occurrence of an Event of Default, (i) this Deed of Trust shall constitute a direction to each lessee under the Leases and each guarantor thereof to pay all Rents directly to Beneficiary without proof of the Event of Default, and (ii) Beneficiary shall have the authority, as Trustor's attorney-in-fact (such authority being coupled with an interest and irrevocable), to sign the name of Trustor and to bind Trustor on all papers and documents relating to the operation, leasing and maintenance of the Property.

(c) If Trustor shall fail to perform as required under any Lease, Beneficiary shall be permitted but not required to perform in place of Trustor, and all costs and expenses incurred in connection therewith shall constitute Secured Obligations payable as of the date incurred with interest thereon at the highest rate set forth in the Loan Agreement. Mortgagee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Mortgagor under any of the Leases.

(d) Trustor shall indemnify and hold the Beneficiary harmless of and from any and all liability, loss or damage which Beneficiary may incur under any Lease and of and from any and all claims and demands whatsoever, which may be asserted against it by reason of alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in such Lease. Should Beneficiary incur any such liability, loss or damage under any Lease or under or by reason of its assignment to Beneficiary, or in the defense of any claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall constitute Secured Obligations, payable upon incurrence with interest at the highest rate set forth in the Loan Agreement.

3.4 Uniform Commercial Code.

(a) This Deed of Trust constitutes a Security Agreement as that term is used in the Uniform Commercial Code (the "Code") in the State, with respect to any part of the Property which, under applicable law, may be subject to a security interest pursuant to the Code, including without limitation, any part of the Property deemed to be personal property, fixtures or property other than real estate (including all replacements thereof, additions thereto and substitutions therefor) (collectively, the "Personal Property Collateral"). Trustor hereby grants to, and creates in favor of, Beneficiary a security interest in and to the Personal Property Collateral, whether now owned or hereafter acquired, and including all products and proceeds of said items as security for the payment of the Secured Obligations. Any reproduction of this instrument or of any other security agreement or financing statement shall be sufficient as a financing statement.

(b) At any time after an Event of Default has occurred, Beneficiary and Trustee shall have all rights and remedies of a secured party under the Code, including without limitation, the right to take immediate and exclusive possession of the Personal Property Collateral or any part thereof. The remedies of Beneficiary and Trustee hereunder are cumulative and the exercise of any one or more of the remedies provided for herein or under the Code shall not be construed as a waiver of any of the other remedies of the Beneficiary, including having the Personal Property Collateral deemed part of the realty upon any foreclosure so long as any part of the Secured

Obligations remains unsatisfied. Without limiting the foregoing, in exercising any of said remedies, Beneficiary may proceed against the items of real property and any items of personal property specified as part of the Property separately or together and in any order whatsoever, without in any way affecting the availability of Beneficiary's remedies under the Code or of the remedies otherwise provided in this instrument.

(c) This Deed of Trust shall be effective as a financing statement and is intended to be a "fixture filing" for purposes of Section 5/9-102 of the Code with respect to the items of Property which are or may become fixtures relating to the Premises upon recording of this Deed of Trust in the real estate records of the proper office where any of the Property is situated. The names and addresses of Trustor (Debtor) and Beneficiary (Secured Party) are set forth in the preamble hereof. Trustor is the owner of the record interest in the Premises.

(d) Trustor hereby authorizes Beneficiary to record in the County in which the Premises is located, as well as with the filing office in the applicable state, such financing statements and fixture filings, and any amendments or modification thereto, as Beneficiary shall deem necessary or appropriate to perfect the security interest granted by this Deed of Trust (which may describe the property covered thereby as "all assets" of the debtor).

3.5 Subrogation. Beneficiary shall be subrogated to all right, title, and claims of all persons to whom Beneficiary has paid any sum for any claims, charges or otherwise.

3.6 Non-Residential Loan. The Loan secured by this Deed of Trust is made, and all proceeds thereof will be used solely for, commercial, investment or business purposes. The Loan is not for personal, household or family use of any direct or indirect owner of Trustor or any of their affiliates (together with the Trustor, collectively, the "Relevant Parties"). The Property is not the principal residence or second home of any Relevant Party and Trustor covenants and agrees that no Relevant Party shall occupy the Property as a principal residence or second home in the future.

IV. EVENT OF DEFAULT AND REMEDIES

4.1 Event of Default. The occurrence of an "Event of Default," as such term is defined in the Loan Agreement, shall constitute an "Event of Default" under this Deed of Trust.

4.2 Foreclosure and Sale. If an Event of Default has occurred, Beneficiary may, at its election and through any nominee, assignee or otherwise, institute proceedings for the complete foreclosure of this Deed of Trust, in which case the Property may be sold for cash or credit in one or more parcels. For any notices required under the Code, Trustor agrees that five (5) business days' prior written notice shall be deemed commercially reasonable.

4.3 Remedies: Remedies Cumulative and Non-Waiver. Beneficiary and Trustee shall be entitled to each and every right and remedy available at law or in equity upon the occurrence of an Event of Default. No remedy or right of Beneficiary or Trustee hereunder or under the Loan Documents shall be exclusive of any other right or remedy. No delay or omission to exercise any remedy or right shall impair any such remedy or be construed a waiver of any Event of Default, nor shall it affect any subsequent Event of Default of the same or a different nature, nor shall it

extend or affect any grace period. Every remedy or right may be exercised concurrently or independently, when and as often as Beneficiary or Trustee may determine.

4.4 Expenses. In any proceeding to foreclose or partially foreclose the lien of this Deed of Trust, there shall be included as additional indebtedness, all expenses paid or incurred by or on behalf of Beneficiary and Trustee in the protection of the Property and the exercise of Beneficiary's and Trustee's rights and remedies hereunder or under the Loan Documents, which expenses may be estimated as to items to be expended after any non-judicial foreclosure sale or entry of any judgment or decree of foreclosure. All such expenses shall be due and payable by Trustor upon incurrence with interest at the highest rate set forth in the Loan Agreement.

4.5 Beneficiary's Performance of Trustor's Obligations. Following the occurrence of an Event of Default, Beneficiary, either before or after acceleration of the Secured Obligations or the foreclosure of the lien hereof and during the period of redemption, if any, may, but shall not be required to (a) make any payment or perform any act herein or in any other Loan Document which is required of Trustor in any form and manner determined by Beneficiary; (b) make full or partial payments of principal or interest on any permitted prior deed of trust, mortgage, lien or encumbrance and purchase, discharge, compromise or settle any tax lien or other prior lien on title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises, or contest any Taxes or Other Charges; and (c) complete construction, furnishing and equipping of the Improvements upon the Premises and rent, operate and manage the Premises and such Improvements, so that the Premises and Improvements shall be operational and usable for their intended purposes. Any amounts so expended shall constitute Secured Obligations and shall be due and payable upon incurrence with interest thereon at the highest rate set forth in the Loan Agreement. Beneficiary shall not be required to inquire as to the accuracy of any bill, statement, or prior lien in making any protective advance hereunder or under the other Loan Documents.

4.6 Right of Possession. Following the occurrence of an Event of Default, Trustor shall, immediately upon demand surrender to Beneficiary, and Beneficiary shall be entitled to take actual possession of the Property or any part thereof, personally or by its agent or attorneys. To the extent not prohibited by applicable law, Beneficiary may enter upon and take and maintain possession or may apply to the court in which a foreclosure is pending to be placed in possession of all or any part of the Property, together with all documents, books, records, papers, and accounts of Trustor or the then owner of the Property relating thereto. Beneficiary may exclude Trustor, such owner and any agents and servants from the Property. As attorney-in-fact or agent of Trustor or such owner, or in its own name, Beneficiary may hold, operate, manage, and control all or any part of the Property, either personally or by its agents. Beneficiary shall have full power to use such measures, legal or equitable, as it may deem proper or necessary to enforce the payment or security of the Rents, issues, deposits, profits, and avails of the Property, including actions for recovery of Rent, actions in forcible detainer, and actions in distress for Rent, all without notice to Trustor.

4.7 Application of Income Received by Beneficiary. Any Rents of the Property shall be applied in the manner determined by Beneficiary, in Beneficiary's sole discretion.

4.8 Appointment of Receiver. Upon, or at any time after, the filing of a complaint to foreclose (or partially foreclose) this Deed of Trust, the court in which such complaint is filed shall, upon petition by Beneficiary, appoint a receiver for the Property. Such appointment may be made either

before or after foreclosure sale, without notice, without regard to the solvency or insolvency, at the time of application for such receiver, of the person or persons, if any, liable for the payment of the Secured Obligations, without regard to the value of the Property at such time and whether or not the same is occupied as a homestead, and without bond being required of the applicant. Beneficiary or any employee of Beneficiary thereof may be appointed as such receiver. Such receiver shall have all powers and duties prescribed by applicable law, including the power to take possession, control, and care of the Property and to collect all Rents thereof during the pendency of such foreclosure suit or proceeding and, in the event of a sale and deficiency, where Trustor has not waived its statutory rights of redemption, if any, during the full statutory period of redemption, as well as during any further times when Trustor or its devisees, legatees, heirs, executors, administrators, legal representatives, successors, or assigns, except for the intervention of such receiver, would be entitled to collect such Rents. The court from time to time, either before or after any non-judicial foreclosure sale or entry of judgment of foreclosure, may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the indebtedness secured hereby, or by any non-judicial foreclosure sale or any decree foreclosing this Deed of Trust, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale, and (b) the deficiency in case of a sale and deficiency.

4.9 Foreclosure Sale. In the event of any foreclosure sale, the Property may be sold in one or more parcels or lots. Beneficiary may bid for and acquire the Property or any part thereof at any sale made under or by virtue of this Deed of Trust and, in lieu of paying cash therefor, may make settlement for the purchase price by crediting against the purchase price the unpaid amounts due and owing in respect of any Secured Obligations after deducting from the sales price the expenses of the sale and the costs of the action or proceedings and any other sums that Beneficiary is authorized to deduct under this Deed of Trust or applicable law.

4.10 Adjournment of Foreclosure Sale. Beneficiary may adjourn from time to time any sale by it to be made under or by virtue of this Deed of Trust by announcement at the time and place appointed for such sale or for such adjourned sale or sales, and, except as otherwise provided by any applicable provisions of law, Beneficiary, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

4.11 Application of Proceeds of Foreclosure Sale. The proceeds of any foreclosure sale shall be applied in the manner determined by Beneficiary, in Beneficiary's sole discretion.

4.12 Waiver of Statutory Rights. Trustor shall not apply for or avail itself of any appraisal, valuation, redemption, stay, extension, or exemption laws, or any so-called "moratorium laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Deed of Trust, or the exercise by Beneficiary of any right or remedy hereunder, and Trustor hereby knowingly, voluntarily, and intentionally waives the benefit of such laws. Trustor, for itself and all who may claim through or under it, waives any and all rights to have the Property and estates comprising the Property marshaled upon any foreclosure of the lien of this Deed of Trust, and agrees that Beneficiary or any court having jurisdiction to foreclose such lien may order the Property sold in its entirety. Trustor further waives any and all rights (if any) of redemption from foreclosure and from sale under any order or decree of foreclosure of the lien created by this Deed of Trust, for itself and on behalf of (i) any trust estate of which the Premises are a part; (ii) all

beneficially interested Persons; (iii) each and every Person acquiring any interest in the Property or title to the Premises subsequent to the date of this Deed of Trust; and (iv) all other Persons to the extent permitted by the provisions of laws of the State in which the Premises is located.

4.13 Effect of Judgment. The obtaining of any judgment by Beneficiary and any levy of any execution under any judgment upon the Property shall not affect in any manner or to any extent the lien of this Deed of Trust upon the Property or any part thereof, or any Liens, powers, rights and remedies of Beneficiary hereunder, but such Liens, powers, rights and remedies shall continue unimpaired as before until the judgment or levy is satisfied.

V. MISCELLANEOUS

5.1 Notices. Any notice shall be provided in the manner required in the Loan Agreement.

5.2 Time of Essence. Time is of the essence of this Deed of Trust.

5.3 Covenants Run with Land. All of the covenants of this Deed of Trust shall run with the land constituting the Premises.

5.4 Governing Law. This Deed of Trust shall be governed by and construed in accordance with the laws of the State of New York, except that at all times the provisions for the creation, perfection, priority, enforcement and foreclosure of the liens and security interests created in the deed of trust property under the loan documents shall be governed by and construed according to the law of the state where the deed of trust property is located. To the fullest extent permitted by the law of the state where the deed of trust property is located, the laws of the State of New York shall govern the validity and enforceability of all loan documents, and the debt or obligations arising hereunder (but the foregoing shall not be construed to limit lender's rights with respect to such security interest created in the state where the deed of trust property is located).

5.5 Severability. If any provision of this Deed of Trust, or any paragraph, sentence, clause, phrase, or word, or their application, in any circumstance, is held invalid, the validity of the remainder of this Deed of Trust shall be construed as if such invalid part were never included.

5.6 Non-Waiver. Unless expressly provided in this Deed of Trust to the contrary, no consent or waiver, express or implied, by any party, to or of any breach or default by any other party shall be deemed a consent to or waiver of the performance by such defaulting party of any other obligations or the performance by any other party of the same, or of any other, obligations.

5.7 Headings. The headings of sections and paragraphs in this Deed of Trust are for convenience or reference only and shall not be construed in any way to limit or define the content, scope, or intent of the provisions.

5.8 Grammar. As used in this Deed of Trust, the singular shall include the plural, and masculine, feminine, and neuter pronouns shall be fully interchangeable, where the context so requires.

5.9 Deed in Trust. If title to the Property or any part thereof is now or hereafter becomes vested in a trustee, any prohibition or restriction against the creation of any lien on the Property shall be construed as a similar prohibition or restriction against the creation of any lien on or security interest in the beneficial interest of such trust.

5.10 Successors and Assigns. This Deed of Trust shall be binding upon Trustor, its successors, assigns, legal representatives, and all other persons or entities claiming under or through Trustor.

5.11 Counterparts. This Deed of Trust may be executed in any number of separate counterparts, each of which shall collectively and separately constitute one Deed of Trust.

5.12 Mortgagee-in-Possession. Nothing contained in this Deed of Trust shall be construed as constituting Beneficiary a mortgagee-in-possession in the absence of the actual taking of possession of the Property.

5.13 Incorporation of Loan Agreement; No Conflicts. The terms of the Loan Agreement are incorporated by reference herein as though set forth in full detail. To the extent a conflict exists between the terms of the Loan Agreement and this Deed of Trust, the terms of the Loan Agreement shall control.

5.14 No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Deed of Trust. In the event an ambiguity or question of intent or interpretation arises, this Deed of Trust shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of this Deed of Trust.

5.15 Trustee Provisions.

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

(b) Waiver of Compensation. Trustee waives any statutory fee (if any) and shall accept reasonable compensation from Beneficiary in lieu thereof for any services rendered by it in accordance with the terms hereof.

(c) Action in Accordance with Instructions. Upon receipt by Trustee of instructions from Beneficiary at any time or from time to time, Trustee shall (a) give any notice or direction or exercise any right, remedy or power hereunder or in respect of any part or all of the Property as shall be specified in such instructions, and (b) approve as satisfactory all matters required by the terms hereof to be satisfactory to Trustee or to Beneficiary. In addition, at any time or from time to time, upon request of Beneficiary and presentation of this Deed of Trust for endorsement, and without affecting the liability of any Person for payment of the Secured Obligations, Trustee may, upon such request, reconvey all or any part of the Property, consent to the making of any map or plat thereof, join in granting an easement thereon, or join in any extension agreement or any agreement subordinating the lien and estate hereof.

i. If Trustor fails to execute, acknowledge or deliver to Beneficiary any and all mortgages, assignments, transfers, assurances, financing statements, maps, and other

instruments or documents required to be so executed, acknowledged or delivered hereunder, within fifteen (15) days after Beneficiary's demand (or such lesser period as may be provided herein), then Trustor hereby appoints Beneficiary as Trustor's true and lawful attorney-in-fact (such authority being coupled with an interest and irrevocable).

ii. Notwithstanding the foregoing, unless expressly released in a signed writing by Beneficiary, none of Trustee's actions shall waive any security interest, reconvey this Deed of Trust, or affect or release the liability of Trustor or any other person/entity for payment of any indebtedness secured hereby, or for performance of any obligations, or any of the terms, covenants and conditions hereof.

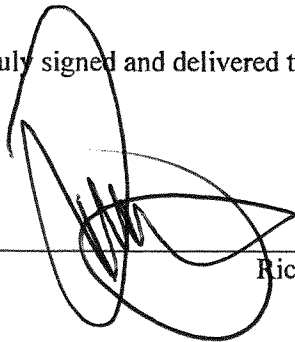
(d) Substitution of Trustee. Beneficiary, at Beneficiary's sole option and discretion, may from time to time appoint a successor trustee (the "Successor Trustee") in replacement of any Trustee appointed hereunder, by instrument executed and acknowledged by Beneficiary, or its successors in interest, and recorded in the land records of the public office wherein the Deed of Trust is recorded. The instrument appointing the Successor Trustee shall contain the names of the original Beneficiary, Trustee, Trustor, and the book and page (or other recording) number where this Deed of Trust is recorded, and the name and address of the Successor Trustee. The Successor Trustee, without conveyance of the Property, shall succeed to all the title, power and duties conferred upon the Trustee in this Deed of Trust and by applicable law.

5.16 Waiver of Jury Trial. TO THE FULLEST EXTENT PERMITTED BY LAW, TRUSTOR HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVES ITS RIGHTS TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS OR THE RELATIONSHIP THAT IS BEING ESTABLISHED HEREUNDER.

5.17 Exhibit C. The terms of Exhibit C are hereby incorporated by reference, with the full force and effect as if set forth herein. In the event of any inconsistency between the provisions set forth in Exhibit C hereto and the remainder of this Deed of Trust, the terms and provisions of Exhibit C shall govern and control.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Trustor has duly signed and delivered this Deed of Trust as of the Effective Date.

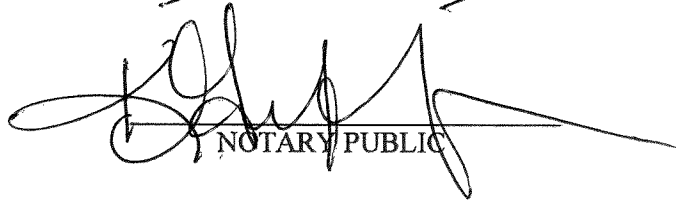


Richard Baker - Borrower

ACKNOWLEDGEMENT

STATE OF Oregon)
COUNTY OF Dischutes)

This instrument was acknowledged before me on November 25, 2019, by
Richard Baker, as the _____ of _____, a
_____.
_____.



NOTARY PUBLIC

[Seal]



EXHIBIT A

Legal Description of Premises

Legal Description:

Lot 5 in Block 1, CHIA PARK, TRACT 1151, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Address of Premises:

2609 Berkeley St
Klamath Falls, OR 97601

Tax or Assessor Parcel Number:

R3809-019DC-03700-000 (R438770)

EXHIBIT B

The term "Property" as used herein shall mean and include:

A. The Premises;

B. The buildings, structures and improvements now or hereafter located on the Premises (the "Improvements"), all of which are declared to be a part of the Premises encumbered hereby and which shall not be removed from the Premises other than as expressly permitted in the Loan Agreement, and all rights and interest of Trustor in and to: (i) the streets and roads abutting the Premises, to the center lines thereof, and the strips and gores within or adjoining the Premises; (ii) the air space and right to use said air space above the Premises; (iii) all rights of ingress and egress by pedestrians and motor vehicles to parking facilities on or within the Premises; (iv) all easements now or hereafter affecting the Premises; (v) royalties and all rights appertaining to the use and enjoyment of the Premises, including, without limitation, alley, drainage, sewer, mineral, water, oil and gas rights, rights-of-way, vaults, ways, passages, water courses, water rights and powers; (vi) any and all rights, but not obligations, arising under or with respect to any recorded development declarations, CC&Rs (covenants, conditions, and restrictions), REAs (reciprocal easement agreements), and similar documents, and (vii) all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances whatsoever, in any way belonging, relating or appertaining to the Premises or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto and the reversion and reversions, remainder and remainders thereof;

All fixtures and articles of personal property and all appurtenances and additions thereto and substitutions or replacements thereof, now or hereafter attached to, contained in, used or intended to be incorporated in or used in connection with the Premises or the Improvements or placed on any part thereof, though not attached thereto, including, but not limited to, all building materials, screens, awnings, shades, blinds, curtains, draperies, carpets, rugs, furniture and furnishings, heating, lighting, plumbing, ventilating, air conditioning, refrigerating, incinerating and elevator plants, stoves, ovens (microwave, convection and others), refrigerators, freezers, ranges, vacuum cleaning systems, call systems, sprinkler systems and other fire prevention and extinguishing apparatus and materials, motors, machinery, pipes, appliances, equipment, fittings, fixtures and articles of personal property, all of which are hereby declared and shall be deemed to be fixtures and accessions to the Premises and a part of the Premises, and which shall be deemed to be a portion of the security for the Secured Obligations secured by this Deed of Trust, and all trade names, trademarks, tradestyles, service marks, copyrights, service contracts, computers and computer software, telephone equipment and systems, warranties, guarantees, business and building licenses and permits, architects and engineers plans, blueprints and drawings relating to the Premises (all of the items described in this paragraph C, the "Personal Property");

All leases, lettings and licenses of the Premises or the Improvements or any part thereof now or hereafter entered into by the Trustor as landlord (the "Leases"), and the rents, receipts, issues, profits, accounts receivable and revenues of the Property from time to time accruing under the Leases (including without limitation all rental payments, tenant security deposits and escrow funds) including, without limitation, the right to receive and collect the rents, issues and profits payable thereunder (the "Rents");

All extensions, improvements, betterments, renewals, substitutions and replacements of, and all additions and appurtenances to, the foregoing, hereafter acquired by, or released to, Trustor, or constructed, assembled or placed by Trustor or by others for Trustor's benefit thereon, and all conversions of the security constituted thereby, which immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case, without any further conveyance, assignment or other act by Trustor, shall become subject to the lien of this Deed of Trust as fully and completely, to the extent of Trustor's interest therein, and with the same effect, as though now owned by Trustor and specifically described herein;

All unearned premiums, accrued, accruing or to accrue under insurance policies now or hereafter obtained by Trustor in respect of any of the foregoing Property under paragraphs A-E above and all proceeds of the conversion, voluntary or involuntary, of the foregoing Property under paragraphs A-E above or any part thereof into cash or liquidated claims, including, without limitation, proceeds of claims under hazard and title insurance policies and all awards and compensation heretofore and hereafter made to the present and all subsequent owners of the foregoing Property under paragraphs A-E above by any governmental or other lawful authorities for the taking by eminent domain, condemnation or otherwise, of all or any part of the Improvements, Premises or any easement therein, including awards for any change of grade of streets;

All rights of Trustor under any contracts executed by Trustor with any provider of goods or services for or in connection with any construction undertaken on or services performed or to be performed in connection with the Premises or the Improvements; and

All accessions to any of the foregoing Property under paragraphs A-G above and all substitutions, renewals, improvements and replacements of and additions thereto; all after-acquired property of the nature described above; all products and proceeds of any of the foregoing Property under paragraphs A-G above including all such proceeds acquired with cash proceeds in whatever form, whether real or personal property and, if personalty, whether such property shall constitute "goods," "accounts," "inventory," "equipment," "instruments," "chattel paper," "documents" or "general intangibles," all as defined under Article 9 of the Code in effect in the State.

EXHIBIT C

OREGON LOCAL LAW PROVISIONS

1. Oral Loan Commitments. UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY LENDER 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 LENDER TO BE ENFORCEABLE.

2. Forced Place Insurance.

WARNING

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

YOU ARE RESPONSIBLE FOR THE COST OF ANY INSURANCE PURCHASED BY US. THE COST OF THIS INSURANCE MAY BE ADDED TO YOUR CONTRACT OR LOAN BALANCE. IF THE COST IS ADDED TO YOUR CONTRACT OR LOAN BALANCE, THE INTEREST RATE ON THE UNDERLYING CONTRACT OR LOAN WILL APPLY TO THIS ADDED AMOUNT. THE EFFECTIVE DATE OF COVERAGE MAY BE THE DATE YOUR PRIOR COVERAGE LAPSED OR THE DATE YOU FAILED TO PROVIDE PROOF OF COVERAGE.

THE COVERAGE WE PURCHASE MAY BE CONSIDERABLY MORE EXPENSIVE THAN INSURANCE YOU CAN OBTAIN ON YOUR OWN AND MAY NOT SATISFY ANY NEED FOR PROPERTY DAMAGE COVERAGE OR ANY MANDATORY LIABILITY INSURANCE REQUIREMENTS IMPOSED BY APPLICABLE LAW. (Each reference to "you" and "your" shall refer to Trustor (Grantor) and each reference to "us" and "we" shall refer to Beneficiary.)

3. Non-Residential Loan. The Loan secured by this Deed of Trust is made, and all proceeds thereof will be used solely for, commercial, investment or business purposes. The Loan is not for personal, household or family use of any direct or indirect owner of Trustor or any of their affiliates (together with the Trustor, collectively, the "Relevant Parties"). This Deed of Trust is not a "residential trust deed," the Property is not "residential property" or "residential real property," and the loan secured hereby is not a "residential mortgage transaction" or "residential mortgage loan" as those terms are defined in ORS Chapters 86 and 86A. The Property is not the

principal residence or second home of any Relevant Party and Trustor covenants and agrees that no Relevant Party shall occupy the Property as a principal residence or second home in the future.

4. Statutory Land Use Notice. 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.