

After recording return to:
CETAN FUNDS, LLC
Attn: Loan Operations
PO Box 41997
Eugene, OR 97404

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

PARTIES:

David K. Whitlock, an individual ("**Grantor**")
Address: 835 Walnut Avenue, Klamath Falls, OR 97601

CETAN FUNDS, LLC, an Oregon limited liability company ("**Beneficiary**")
Address: 72-C Centennial Loop, Suite 500, Eugene, OR 97401

AmeriTitle ("**Trustee**")
Address: 300 Klamath Avenue, Klamath Falls, OR 97601

AGREEMENTS:

1. **GRANT OF SECURITY.** Grantor hereby irrevocably grants, bargains, sells and conveys to Trustee, in trust, for Beneficiary, with power of sale, the real property described on the attached **Exhibit A** (the "**Property**"), including (a) all interest in the Property which the Grantor may hereafter acquire; (b) all buildings, improvements, fixtures or appurtenances now or later erected or used in connection with the Property; (c) all built-in-appliances, screens, window shades, storm doors and windows, floor coverings, screen doors, awnings, tanks, shrubbery, trees, stoves and water heaters; (d) all easements, water rights, and other rights or privileges now or hereafter appurtenant to the land; (e) all of the rents, issues, and profits of the Property, which are hereby pledged, assigned and transferred to the Trustee, whether now due or hereafter to become due; and (f) all permits, permissions, entitlements, prepaid accounts or credits for system development charges or other rights related to the development of the Property.

2. **OBLIGATIONS SECURED.** This Trust Deed secures (a) a Promissory Note dated 03/12/2020 in the face amount of \$77,400.00, payable to Beneficiary and the final payment of principal and interest, if not sooner paid or extended in accordance with the terms thereof, is due and payable on 03/01/2023 (the "**Promissory Note**"); (b) a Commercial Loan Agreement between Grantor and Beneficiary dated 03/12/2020 (the "**Loan Agreement**"); and (c) the performance of all of the covenants and obligations of the Grantor in this Trust Deed.

3. **FIXTURE FILING.** This Trust Deed covers any equipment or goods that are or will be affixed to the Property, and is a financing statement recorded as a fixture filing. For

purposes of this fixture filing the Grantor is the debtor, and the Beneficiary is the secured party, with the addresses listed above. Grantor is the record owner of the Property.

4. COVENANTS. Grantor covenants that Grantor shall:

4.1 Pay the Promissory Note and all extensions or renewals thereof, if any, together with all interest accrued thereon, promptly as the same become due; and

4.2 Promptly perform all of the covenants and obligations of the Grantor in this Trust Deed and in the Loan Agreement.

5. TAXES. The Grantor will pay when due all taxes, assessments and other governmental rates and charges against the Property (whether already due or forthcoming), and will furnish to the Beneficiary, upon request, duplicate receipts showing payment, and all items extended against the Property shall be conclusively deemed valid for the purpose of this requirement.

6. ASSIGNMENT OF RENTS. The Grantor assigns to Beneficiary all rents, issues, profits and revenues from the Property and assigns any current or future leases of the Property or any part of the Property to Beneficiary. However, until a Default, the Grantor shall have a license to collect and receive (but not more than 30 days prior to accrual) those rents, issues, profits and revenues, and to retain, use and enjoy the same. Upon any Default and while the Default continues, Grantor authorizes and empowers the Beneficiary, Beneficiary's agents or attorneys, at Beneficiary's election, without notice to the Grantor, as agents for the Grantor, to take and maintain full control of the Property; to evict tenants for nonpayment of rents; to lease all or any portion of the Property, in the name of the Grantor, on such terms as Beneficiary may deem advisable; to make alterations or repairs Beneficiary may deem advisable and deduct the cost thereof from the rent; to receive all rents and income from the Property and issue receipts therefor; and out of the amount or amounts so received to pay the necessary operating expenses and retain or pay the customary charges for thus managing the Property; to pay the Beneficiary any amount due upon the indebtedness secured by this Trust Deed; to pay taxes, assessments, and premiums of insurance policies, or renewals thereof, on the Property, or amounts necessary to carry out any covenant in this Trust Deed and to expend such other sums as are necessary to preserve and protect the Property. The Beneficiary may determine which items are to be met first. Those exercising this authority shall be liable to the Grantor only for the amount collected hereunder and the accounting thereof, and as to all others, the persons exercising this authority are acting only as agent of the Grantor in the protection of the Beneficiary's security interest. In no event will the right to management and collection of rents affect or restrict the right of the Beneficiary to foreclose this Trust Deed upon a Default.

7. SECURITY INTEREST. Grantor hereby grants to Beneficiary a security interest in any of the Property which constitutes personal property or fixtures and in any equipment and goods that are or may in the future be attached to the Property, all proceeds and products thereof, now existing or hereafter arising, and all supporting obligations ancillary to or arising in any way in connection therewith (the "Collateral") to secure the obligations of Grantor under the Promissory Note and this Trust Deed. The Collateral specifically includes any manufactured or mobile homes on the Property, and specifically excludes all unremediated hazardous substances

outside of any properly functioning aboveground or underground storage tanks. In addition to its rights hereunder or otherwise, Beneficiary shall have all of the rights of a secured party under the Oregon Uniform Commercial Code, as in effect from time to time, or under the Uniform Commercial Code in force, from time to time, in any other state to the extent the same is applicable law. In the event of a foreclosure sale, whether made by Trustee by advertisement and sale, or under judgment of a court, the Collateral and the other Property may, at the option of Beneficiary, be sold as a whole, and with all proceeds applied as required for the foreclosure sale.

8. EFFECTIVE AS A FINANCING STATEMENT. This Trust Deed shall be effective as a financing statement filed as a fixture filing with respect to all fixtures attached to or to be attached to the Property and is to be filed for record in the real estate records of each county where any part of the Property (including said fixtures) is situated. This Trust Deed shall also be effective as a financing statement covering any other Property and may be filed in any other appropriate filing or recording office.

9. REPRESENTATIONS. The Grantor represents and covenants that: (a) Grantor is the owner in fee simple of the Property subject to no other liens except for taxes not currently due and payable and liens accepted by Beneficiary in writing, and is entitled to possession of the Property; (b) the Grantor has the right to place the lien of this Trust Deed upon the Property; (c) the Grantor will keep the Property free of all other encumbrances, including those of record, whether legal or otherwise, and whether senior or junior to the lien of the Beneficiary hereunder; (d) the Grantor will warrant and defend the Property and Beneficiary against all claims and demands in breach of any representation in this Trust Deed; and (e) the Grantor will execute or procure such further assurance of Grantor's title to the Property as may be reasonably requested by the Beneficiary to protect the Beneficiary's security interest.

10. INSURANCE. The Grantor will keep all improvements on the Property insured against fire or other casualty damage with extended coverage, broad form, until the indebtedness secured by this Trust Deed is fully paid, for the full replacement value of the Property, in a form, with a deductible and with a company reasonably acceptable to the Beneficiary. If the Property is within the 100- or 500- year flood plain as shown by the most current Flood Insurance Rate Map, then Grantor shall also carry flood insurance available under the National Flood Insurance Program for the lesser of the full replacement value of the Property or the highest policy amount available. The insurance policy or policies shall have mortgagee clauses in favor of, and in the form acceptable to, the Beneficiary and with a 10-day notice of cancellation. Upon foreclosure of this Trust Deed or other transfer of title to the Property in extinguishment of the indebtedness secured by this Trust Deed, all right, title and interest of the Grantor in and to any insurance policies then in force are passed to the purchaser or grantee. In case of loss, the Grantor shall give immediate notice of such loss by mail to the Beneficiary. In the event of destruction or damage, all insurance proceeds shall be held by the Beneficiary, and Beneficiary is entitled to an administrative fee based on Beneficiary's then current-fees out of the proceeds for holding and administering the insurance proceeds as provided in this section. Grantor may elect to rebuild and restore any improvements destroyed or damaged located on the Property by giving written notice to the Beneficiary within 60 days from such destruction or damage. If Grantor so elects, such rebuilding or restoration shall be promptly commenced and diligently prosecuted. Upon satisfactory proof of expenditure and satisfactory construction lien waivers, Beneficiary shall pay or reimburse Grantor from the insurance proceeds for the reasonable costs of repair or restoration. Any insurance proceeds not

applied to the cost of repair or restoration shall be applied to the indebtedness secured by this Trust Deed, in addition to any other payments coming due thereon. If Grantor does not give a timely notice of election to rebuild or restore, all insurance proceeds shall be paid to the Beneficiary to apply upon the indebtedness secured by this Trust Deed, in addition to any other payments coming due thereon. Upon request of the Beneficiary, the Grantor will furnish a certificate of insurance evidencing compliance with the insurance requirements of this section. If the Grantor fails to procure or provide proof of acceptable insurance as required by this section, the Beneficiary may at any time, without notice, procure such insurance at the Grantor's expense.

11. **CONDITION.** The Grantor will keep the Property in good condition and repair; will not cause waste, strip, or other intentional damage to the Property; will not make, suffer or permit any unlawful use of or any nuisance to exist on the Property; will not diminish or impair its value by any act or omission to act; and will comply with all requirements of law with respect to the Property and the use thereof.

12. **COVENANTS OR RESTRICTIONS.** The Grantor will not initiate, join in or consent to any easements, change in any private restrictive covenant or condition, zoning ordinances or changes, or any other public or private restriction that limits or defines the uses which may be made of the Property or any part thereof, without the prior written consent of the Beneficiary.

13. **IMPROVEMENTS.** The Grantor shall not make any improvements or alterations to the Property which reduce the value of the Property for security purposes without first obtaining the written consent of the Beneficiary. The Grantor will not remove any fixtures, portions or attached items of the Property without first obtaining the written consent of the Beneficiary, provided, items of equal or greater value may be substituted for any improvements, apparatus, appurtenances, fixtures, built-in appliances or equipment now or hereafter used on the Property. Grantor shall keep the Property free and clear of construction liens.

14. **ESTOPPEL.** Within 10 business days upon request of the Beneficiary, the Grantor shall certify in writing to the Beneficiary or the Beneficiary's proposed assignee the amount of principal and interest then owing and whether Grantor has or claims any setoffs or defenses to payment.

15. **SALE OF PROPERTY.** Grantor, and any successor in interest to the Grantor, shall not sell, assign, or otherwise transfer title to or possession of all or part of the Property by deed, land sale contract, lease for a term in excess of three years, or similar agreement without the Beneficiary's prior written consent (which consent may be given or withheld in Beneficiary's sole discretion). If the Grantor is an entity, including, but not limited to, a corporation, partnership or limited liability company, a change in the control of the entity or a transfer or cumulative transfers of more than 20% of the ownership of Grantor shall be deemed a transfer of the Property for the purposes of this section. Grantor acknowledges that the indebtedness and obligations secured by this Trust Deed are personal to Grantor and that in extending credit to Grantor, Beneficiary has relied on Grantor's credit, Grantor's skills and expertise, Grantor's interest in the Property, and financial market conditions existing at the time the indebtedness was created. No transfer or consent pursuant to this section shall relieve Grantor, wholly or partially, from the obligations under the terms of this Trust Deed and the obligations and indebtedness secured by this Trust Deed.

16. LIENS. Grantor shall keep the Property free and clear of all other liens, statutory, consensual or nonconsensual, except for real property taxes not yet due and payable.

17. SUCCESSOR IN INTEREST. All of the covenants, agreements, conditions and terms contained in this Trust Deed are binding upon and apply and inure to the benefit of the successors and assigns of the parties. However, nothing in this section modifies in any way any restrictions on assignment or transfer provided in this Trust Deed. If the ownership of the Property or any part of the Property becomes vested in a person other than the Grantor, the Beneficiary may, without notice to the Grantor, deal with such successor or successors in interest with reference to this Trust Deed and the obligations hereby secured, either by forbearance to sue or by extending the time for payment of the indebtedness hereby secured, without in any way releasing, discharging or otherwise affecting the Grantor's liability hereunder for the indebtedness secured by this Trust Deed.

18. CONDEMNATION. In case the Property, or any portion thereof, is taken under the right of eminent domain or condemnation, then, as between the Grantor and the Beneficiary, the Beneficiary is entitled to collect and receive all compensation which may be paid for any property taken or for damage to property not taken. All compensation so received will be applied first upon any reasonable costs, expenses and attorney's fees necessarily paid or incurred by the Beneficiary in such proceeding; and the balance will be applied upon the indebtedness secured by this Trust Deed. The Grantor agrees, at Grantor's expense, to take such action or to execute such instruments as may be necessary in obtaining such compensation promptly upon the Beneficiary's request. An agreed sale to a public body or quasi-public body of all or any portion of the Property after threat of condemnation constitutes a condemnation as used in this section.

19. TIME OF THE ESSENCE. Time is material and of the essence for each of the covenants and obligations under this Trust Deed.

20. DEFAULT. Each of the following constitutes a default by the Grantor under this Trust Deed (a "Default"): (a) failure to pay any amount under the Promissory Note when due; (b) failure to perform any of the other covenants or obligations of this Trust Deed within 30 days after written notice to Grantor of such Default; (c) if there was any fraud or misrepresentation on the making of this Trust Deed or the Promissory Note; (d) if Grantor or any guarantor of the Promissory Note is adjudicated bankrupt; (e) if a receiver is appointed for any property of Grantor or any guarantor of the Promissory Note; (f) if Grantor or any guarantor of the Promissory Note make an assignment for the benefit of creditors; (g) if proceedings are instituted to enforce any other lien or charge upon the Property, or any part thereof, and within 10 days thereafter Grantor does not deposit cash or post a bond in lieu of cash in the amount of the alleged debt of the lien or charge being enforced; or (h) Borrower converts the Property into a residence for Borrower or Borrower's immediate family.

21. CROSS DEFAULT. The Grantor hereby agrees that (a) any default under any other trust deed, any other promissory note or any other agreement (including any loan agreement) between Beneficiary and Grantor; or (b) any default under or the commencement of any judicial or non-judicial foreclosure proceedings under any trust deed, mortgage or lien encumbering the Property; will also be a Default under this Trust Deed.

22. REMEDIES. Upon any Default, the balance of the unpaid principal and accrued interest of the Promissory Note and all other indebtedness secured by this Trust Deed, at the Beneficiary's election, becomes immediately due and payable without notice and Beneficiary may proceed to foreclose this Trust Deed by advertisement and sale or by judicial foreclosure, in the manner provided by law. In addition, the Beneficiary may, at the Beneficiary's option and without affecting the Beneficiary's security interest, apply toward the payment of the indebtedness any money held by the Beneficiary under the provisions of this Trust Deed, or any other indebtedness of the Beneficiary to the Grantor. Beneficiary's failure to exercise any right or option, or waiver of any Default, shall not be deemed a waiver of any future right, option or Default. In addition, Beneficiary has all rights and remedies allowed at law or in equity, including the right to seek a deficiency judgment, and all of Beneficiary's rights and remedies are cumulative and not exclusive.

23. PRESERVATION OF PROPERTY. Should the Grantor fail to perform any of the covenants of this Trust Deed, the Beneficiary may carry out the same on behalf of the Grantor without waiver of any Default, and the Beneficiary may perform any act that Beneficiary deems is necessary to protect or preserve the Property or the Beneficiary's security interest. Any expenditures made or charges incurred by the Beneficiary for the foregoing purposes shall be repayable by the Grantor on demand and shall be secured by this Trust Deed, and shall draw interest until repaid at the rate of 1½% per month or the rate of interest on the Promissory Note secured hereby, whichever is greater, but in no event exceeding the highest lawful rate. The Beneficiary may sue to collect all or any part of the aforementioned expenditures without foreclosing this Trust Deed and without affecting the Beneficiary's right to foreclose this Trust Deed at any future time. Nothing in this section requires the Beneficiary to advance any money for any purpose or to perform any act. The Beneficiary shall not incur any personal liability because of the Beneficiary's acts or omissions under this section.

24. RECEIVER. A receiver may be appointed upon any foreclosure of this Trust Deed, without regard to the adequacy of the security for the indebtedness or the insolvency of the Grantor or to the absence of waste or danger of loss or destruction of the Property, to possess, manage, control and sell the Property, and to collect the rents, issues and profits thereof. Upon a declaration of Default under the terms of this Trust Deed, the Grantor shall attorn to the Beneficiary or to a receiver of the Property.

25. MARSHALLING. Beneficiary shall not be required to marshal security and may proceed to foreclose or otherwise realize upon security in such order and in such manner as Beneficiary may determine in Beneficiary's sole discretion.

26. INSPECTION. The Beneficiary and persons authorized by Beneficiary shall have the right to enter and inspect the Property at all reasonable times, with or without notice.

27. TRUSTEE. Trustee accepts this trust when this Trust Deed, fully executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of a pending sale under any other trust deed or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be a party unless such action or proceeding is brought by Trustee.

28. SUCCESSION TRUSTEE. For any reason permitted by law, Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by Beneficiary containing reference to this Trust Deed. When recorded in the official records of the county in which this Trust Deed is recorded, the appointment will be conclusive proof of proper appointment of the successor trustee.

29. COSTS AND FEES. Upon any Default, or if Beneficiary seeks adequate protection of Beneficiary's interest under the Bankruptcy Code, the Grantor shall pay to the Trustee and the Beneficiary all reasonable expenses incurred by the Trustee and/or the Beneficiary, at any time necessary in the Trustee's or Beneficiary's opinion for the protection of the Beneficiary's interest or the enforcement of the Trustee's or Beneficiary's rights, including, but not limited to, the cost of searching records, obtaining title reports, surveyor's reports, attorney's fees or title insurance, whether or not in connection with any legal proceeding; and the amount of such expense, with interest thereon from the date incurred at the rate of 1½% per month or the rate of interest on the Promissory Note secured hereby, whichever is greater (but in no event exceeding the highest lawful rate), shall be secured by this Trust Deed. If any legal proceeding is commenced to foreclose this Trust Deed or enforce or interpret any provision of this Trust Deed, including at trial or upon appeal, the prevailing party shall be entitled to recover reasonable attorney's fees and the costs and expenses of trial and appeal, including deposition costs, transcript costs, and expert witness fees. If this Trust Deed is foreclosed by judicial procedure, the Beneficiary is also entitled to recover at the time the judgment of foreclosure is entered an amount equal to the reasonable attorney's fees and legal expenses which Beneficiary reasonably anticipates will be incurred in enforcing and collecting such judgment.

30. COMMERCIAL TRUST DEED. Grantor represents that this Trust Deed is not and at no time will constitute a "residential trust deed" as defined under Oregon law. Where this Trust Deed is foreclosed by judicial procedure, the Beneficiary shall be entitled to recover a deficiency judgment against the Grantor and any surety, guarantor, successor in interest and other person obligated upon the obligations secured hereby, and the Beneficiary may bring actions, suits and proceedings against the Grantor and any surety, guarantor, successor in interest and any other person obligated upon the obligations secured hereby, for any amount by which the unpaid balance of the obligations secured by this Trust Deed exceed the net sale proceeds payable to the Beneficiary.

31. RENEGOTIATION. The interest rate, payment terms or balance due upon the obligations secured by this Trust Deed may only be indexed, adjusted, renewed or renegotiated upon the written agreement of the Grantor and the Beneficiary.

32. FUTURE ASSURANCES. Each of the parties shall, upon request of any other party, execute and deliver such additional documents as may be necessary or convenient for the purpose of evidencing or perfecting any rights or interests arising under this Trust Deed.

33. WAIVER. No waiver of any right arising out of a breach of any covenant, term or condition of this Trust Deed is a waiver of any right arising out of a subsequent breach of the same

or a breach of any other covenant, term or condition or a waiver of the covenant, term or condition itself.

34. PARTIAL INVALIDITY. If any provision of this Trust Deed is held to be invalid or unenforceable, all other provisions nevertheless continue in full force and effect.

35. INTERPRETATION. In interpreting this Trust Deed, (a) headings and captions are for convenience only and are not to be used in the interpretation of this Trust Deed and are not a limitation on the scope of the particular section to which each refers; (b) the term "including" is always deemed to mean "including, without limitation"; (c) the rule of construction that a written agreement is construed against the party preparing or drafting an agreement is specifically not applicable to the interpretation of this Trust Deed; and (d) any reference in this Trust Deed to a particular statute shall apply to any revisions or successors of that statute.

36. STATUTORY DISCLOSURE. As required by Oregon statute (ORS 746.201), the following disclosure is made:

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.

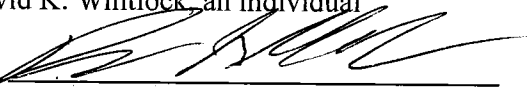
The coverage we purchase may be considerably more expensive than insurance you can obtain on your own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

[SIGNATURES ON FOLLOWING PAGE]

DATED effective as of March 12, 2020.

GRANTOR:

David K. Whitlock, an individual

By: 

Name: David K. Whitlock

Title: an individual

STATE OF Oregon)

) ss.

COUNTY OF Klamath)

This instrument was acknowledged before me on 3/12/2020, 2020, by David K. Whitlock, as Grantor.



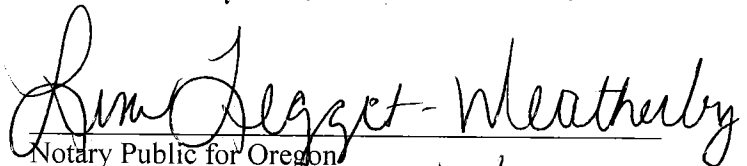

Notary Public for Oregon
My commission expires: 10/1/2023

EXHIBIT A

REAL PROPERTY DESCRIPTION

ADDRESS:

631 S 5th Street, Klamath Falls, OR 97601

MAP AND TAX LOT:

3809-032AD-06700

LEGAL DESCRIPTION:

Lot 6 in Block 104 of Klamath Addition, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.