

2023-000468

Klamath County, Oregon

01/23/2023 02:29:02 PM

Fee: \$207.00

AFTER RECORDING RETURN TO:

David B. Oxley and Marganne Winter
Oxley, Trustees of the David and
Marganne Oxley Trust dated May 16, 2011
P.O. Box 110
Corrigan, TX 75939

**COMMERCIAL DEED OF TRUST AND SECURITY AGREEMENT WITH
ASSIGNMENT OF RENTS
(OREGON)**

Dated January 23, 2023

Grantor: PAUL ROBERT CRAWFORD and ALYSHA DAWN CRAWFORD, as
tenants by the entirety

Trustee: AMERITITLE, LLC, a Delaware limited liability company

Beneficiary: DAVID B. OXLEY and MARGANNE WINTER OXLEY (who appears of
record as Marganne W. Oxley), TRUSTEES of the DAVID AND
MARGANNE OXLEY TRUST DATED MAY 16, 2011

ADDITIONAL STATUTORY NOTICES:

(a) The address of the entity holding a lien or other interest created by this instrument is:

David B. Oxley and Marganne Winter Oxley, Trustees of the David and Marganne Oxley
Trust dated May 16, 2011
P.O. Box 110
Corrigan, TX 75939
Attn: David Oxley

(b) The tax account numbers for the property subject to the lien or in which the interest is created
are: Account No. R103462 (Map No. R-4011-00200-00100-000); Account No. R895465
(Map No. R-4011-00300-00102-000).

(c) Type of transaction: Creation of deed of trust lien and security interests encumbering the
property or properties described herein.

THIS DOCUMENT CONSTITUTES A FIXTURE FILING IN ACCORDANCE WITH THE
UNIFORM COMMERCIAL CODE.

COMMERCIAL DEED OF TRUST AND SECURITY AGREEMENT WITH ASSIGNMENT OF RENTS

This Deed of Trust is made and executed this 23 day of January, 2023, by PAUL ROBERT CRAWFORD and ALYSHA DAWN CRAWFORD, as tenants by the entirety, together as grantor and debtor (collectively, "Grantor"), whose address is P.O. Box 45, Malin, OR 97632, AMERITITLE, LLC, a Delaware limited liability company, as trustee ("Trustee"), whose address is 300 Klamath Ave., Klamath Falls, OR 97601, and DAVID B. OXLEY and MARGANNE WINTER OXLEY, TRUSTEES of the DAVID AND MARGANNE OXLEY TRUST DATED MAY 16, 2011, as beneficiary and secured party ("Beneficiary"), whose address is P.O. Box 110, Corrigan, TX 75939.

Recitals

Grantor is the owner of fee simple title to the real property described on Exhibit A attached hereto. This Deed of Trust is given to secure payment and performance of a promissory note of even date herewith (such note, and any note or notes given in renewal, modification, substitution or addition to the promissory note originally issued, are referred to as the the "Note") made by Grantor and payable to Beneficiary in the principal sum of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00), together with interest as set forth therein. The final payment of principal under the Note is due and payable on January 1, 2043, subject to any extension permitted by Lender pursuant to the Note. (This limitation of amount does not include interest and other fees and charges validly made pursuant to this Deed of Trust. Also, this limitation does not apply to advances made under the terms of this Deed of Trust to protect Beneficiary's security and to perform any of the covenants contained in this Deed of Trust.)

This Deed of Trust is further given to secure: (i) payment and performance of any renewals, extensions, substitutions and modifications of the Note and future advances under the Note; and (ii) payment and performance of any other indebtedness or obligation of Grantor to Beneficiary now or hereafter arising under the terms hereof, the terms of the Note or the terms of any other agreement constituting additional security for the Note, including future advances.

Agreement

Therefore, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. **Grant and Conveyance.** For the purposes set forth in the Recitals, Grantor irrevocably grants, conveys, bargains and sells to Trustee, IN TRUST WITH POWER OF SALE, RIGHT OF ENTRY AND POSSESSION to and for the benefit of Beneficiary, all of Grantor's right, title and interest, whether now owned or hereafter acquired, in and to the following described properties, and all income, revenues and profits derived from such items of property (all sometimes referred to herein collectively as the "Premises"):

1.1 **The Real Property.** The real property described on Exhibit A attached hereto and incorporated herein, together with all rights, interests and hereditaments appurtenant thereto (the "Real Property");

1.2 **The Improvements.** All buildings, structures, fixtures (including trade fixtures) and other improvements of every kind and nature now or hereafter located on or about the Real Property, together with all renewals, replacements, substitutions, accessions, additions and products thereof (the “Improvements”);

1.3 **The Personal Property.** All personal property (the “Personal Property”) of every kind now owned or hereafter acquired and situated upon or used in connection with the operation, ownership, use or maintenance of the Real Property and Improvements, including (without limitation) the equipment described on Exhibit B attached hereto and incorporated herein (the foregoing, together with the items listed under subclause (a) in this sentence, “Equipment”) and the following: (a) all stoves, refrigerators, building materials, fixtures, equipment, component parts of work in progress, furnishings, furniture, machinery, tools, washers, dryers and window coverings, including, without limitation, all supplies, equipment and inventory used for the production of water on the Real Property or for the irrigation or drainage thereof, and all livestock handling equipment located on or used in connection with the Real Property, including, without limitation, fences, windmills, stock tanks and stock watering equipment, corrals, portable fence panels and scales, permanent grain bins/storage, fuel tanks including fuel pumps/operating equipment and all mobile and modular homes located on the Real Property, together with all renewals, replacements, substitutions, revenues, accessions and additions to the foregoing; (b) all leases, sales contracts, warranties, plans, drawings, licenses, agreements, contracts, and permits related to the Real Property and/or Improvements; and (c) all rents, income, accounts, contract rights, profits, royalties, general intangibles, legal and equitable claims, judgments, and awards now or hereafter accruing to the benefit of the Premises or the owner thereof;

1.4 **The Water Rights.** All water, water rights, ditches and ditch rights, any permits, licenses, certificates or shares of stock evidencing any such water or ditch rights, and any such rights acquired in the future, which entitle Grantor to use water for any purpose upon the Real Property, including but not limited to the rights of Grantor or the Real Property in, and all rights of Grantor or the Real Property to, obtain water from the Klamath Irrigation District and the Klamath Basin Improvement District and the water rights described on attached Exhibit C (the “Water Rights”);

1.5 **The Tenant Leases.** All of Grantor’s right, title and interest in and to all lease, occupancy and rental agreements for occupants, tenants and lessees of the Real Property or Improvements, whether now or hereafter existing (the “Tenant Leases”); and

1.6 **Proceeds.** All insurance and condemnation proceeds and awards (including title insurance proceeds) related to the Premises or any interest in the Premises, regardless of form or generation and regardless of the source of payment, and all proceeds (of any generation) of any of the items of property included in the Premises (the “Proceeds”).

This Deed of Trust constitutes a security agreement within the meaning of the Uniform Commercial Code as adopted in the State of Oregon and Grantor grants Beneficiary a security interest in all elements or constituent parts of the Premises which are, or are deemed to be, fixtures or personal property. The parties intend that Beneficiary shall have a security interest in all of the operating revenues of the Premises, whether those revenues are deemed to be derived from or related to the Real Property, the Improvements, the Personal Property or any other source otherwise associated with the Premises.

2. **Grantor's Covenants and Warranties.** Grantor warrants, covenants and agrees with and to Trustee and Beneficiary as follows:

2.1 **Title.** Grantor warrants that Grantor is the absolute legal and equitable owner of, and has good and marketable title to, the Real Property. This Deed of Trust is and shall remain a valid and enforceable first lien on the Premises free of all liens, claims, security interests, encumbrances, easements and restrictions except the special exceptions set forth in the lender's policy of title insurance issued to and approved by Beneficiary in connection with this transaction (the "Permitted Exceptions"). Grantor has full power and authority to convey the Premises in the manner and form herein conveyed. Grantor and its successors and assigns shall warrant and defend such title to the Premises forever against all claims and shall promptly perform all of the obligations to be performed hereunder and under the Permitted Exceptions. Grantor shall furnish to Beneficiary written notice of any litigation, lien, or notice of default affecting the Premises when received. Grantor shall, at its cost, do all further acts, and shall execute and deliver all further documents as Beneficiary shall from time to time require to perfect, continue, assure, convey and confirm the Premises to the Trustee or Beneficiary.

2.2 **Payment and Performance.**

(a) Payment of Secured Obligations. The Note and all other obligations set forth in the Recitals, including all obligations and duties of Grantor hereunder, are collectively referred to as the "Secured Obligations." Grantor shall pay and perform as and when due all of the Secured Obligations without offset and without prior notice or demand.

(b) Permitted Exceptions. Grantor shall pay and perform, as and when due, all obligations set forth in or evidenced or secured by the Permitted Exceptions, and keep the same free from default.

(c) Payment of Taxes. Grantor shall pay, when first due and prior to accrual of interest or penalties, all Taxes (as defined below) with respect to the Premises. Upon demand, Grantor shall provide Beneficiary with evidence, satisfactory to Beneficiary, that such payments have been made. "Taxes" mean and include, without limitation, all personal and real property taxes, assessments and impositions, including, without limitation, all water assessments, whether public or private, of any kind, levied, assessed or imposed upon the Premises or any portion thereof. In the event of default by Grantor under any instrument evidencing or securing payment of the Secured Obligations, Beneficiary, at its option, may require Grantor to maintain reserves for payment of Taxes or premiums on insurance required hereunder, or both. The reserve shall be created by initial payment and subsequent monthly payment to Beneficiary of an amount determined by Beneficiary to be sufficient to produce, at least thirty (30) days before they are due, amounts equal to or in excess of the Taxes or insurance renewal premiums to be paid. If, at the time payments are to be made, the reserve is insufficient or would be rendered insufficient, Grantor shall upon demand pay such additional sum as Beneficiary shall determine to be necessary. Beneficiary shall not be required to pay any interest with respect to any reserves and shall be entitled to commingle such reserves with other funds of Beneficiary, to the extent permitted to do so by applicable law.

2.3 **Construction, Maintenance and Repair.** Without limiting Grantor's obligations under any other agreement executed in favor of Beneficiary, Grantor shall keep the Real Property, Improvements and Personal Property in good operating order, repair and condition,

ordinary wear and tear excepted, and shall not commit or permit any waste thereof. Grantor, at its cost, shall make all repairs necessary to the Real Property, Improvements and Personal Property and shall complete and restore promptly and in good and workmanlike manner any portion of the same which may be damaged or destroyed, and pay, when due, all costs incurred in connection therewith regardless of whether sufficient proceeds are available to pay such costs; the same shall be restored and repaired so as to be at least equal in value and of substantially the same character as existed prior to such damage or destruction. Grantor shall not remove from the Real Property or demolish any of the Improvements or Personal Property.

2.4 Compliance with Laws. Grantor shall comply with all laws, ordinances, regulations, easements, agreements, covenants, conditions and restrictions now or hereafter affecting the Premises or the use or operation thereof. Grantor shall not cause, permit or suffer any violation of any of the foregoing and shall pay all fees or charges of any kind in connection therewith. Grantor shall indemnify and hold Beneficiary, its trustees, beneficiaries, employees, and agents ("Beneficiary Parties"), and the Premises, harmless from any claim, cost, damage or expense, including attorney fees and penalties, with respect to any breach or alleged breach of the covenants set forth in this Section. Grantor warrants and covenants to Beneficiary that, to the best knowledge and belief of Grantor and based on due and diligent inquiry by Grantor, (a) there are no Hazardous Materials (as that term is defined below) in, upon, or buried on or beneath the Real Property or the Improvements, nor have any Hazardous Materials been emitted or released therefrom in violation of any Environmental Laws, and (b) there are not now, nor have there been, any underground storage tanks located on the Real Property, including any tanks used for the storage of Hazardous Materials. In no event shall Grantor bring onto, store upon, bury, use upon, emit or release from, nor allow to be brought onto, stored upon, buried, used upon, or emitted or released from, the Real Property or the Improvements, any Hazardous Materials in violation of any Environmental Laws, nor cause or permit any underground tanks to be installed on the Real Property. These warranties and covenants shall survive the exercise of any remedies by Beneficiary, including (without limitation) foreclosure of the lien of this Deed of Trust or obtaining title to the Premises in lieu of foreclosure. For purposes hereof, the phrase "Hazardous Materials" shall mean and include any oil, petroleum, hazardous substance, pollutant, contaminant, hazardous waste, hazardous material, dangerous waste, extremely hazardous waste, toxic waste, asbestos, urea formaldehyde, radon or air pollution, as any such term or similar term is now or hereafter defined, regulated, used or understood in or under any Federal, state, county, city or other governmental statute, law, code, rule, regulation, ordinance, order or decree which (x) is applicable to the Premises and (y) relates in any way to the protection of any aspect of human health or the environment, animal habitats, environmentally sensitive areas, or the use, quality or condition of air, soil, water, shorelines or wetlands ("Environmental Laws").

2.5 Insurance.

(a) Obligation to Insure. Grantor shall provide, maintain and keep in force, at its own cost and expense, the following policies of insurance, and such other insurance (including, without limitation, flood and earthquake insurance) as Beneficiary reasonably may require from time to time against the same or other hazards:

(i) Property Insurance. Property insurance against loss or damage to the Real Property, the Improvements and the Personal Property by fire and any and all of the risks covered by insurance of the type known as of the date hereof as "special form," in an amount not less than one hundred percent (100%) of the full replacement cost of the Improvements and Personal

Property, as determined from time to time by Beneficiary, without deduction for depreciation. The amount deductible from the loss payable for any casualty shall be approved by Beneficiary and such deductible shall be the obligation of Grantor. Such policy of insurance shall be maintained for and name Grantor and Beneficiary as insureds, as their respective interests may appear, and shall contain the "replacement cost endorsement," and a lender's loss payable endorsement in favor of Beneficiary in form reasonably acceptable to Beneficiary.

(ii) Liability Insurance. Comprehensive commercial general liability insurance, including Products and Completed Operations coverage, on an "occurrence basis" insuring against claims for bodily injury, death or property damage occurring in, on or about the Real Property and Improvements and adjoining streets, sidewalks and passageways arising out of or in any way connected with the use, occupancy, possession, ownership or condition of the same. The limits of such coverage shall be no less than \$2,000,000 per occurrence. Such policy shall insure performance of Grantor's indemnity obligations under this Deed of Trust and shall name Beneficiary as an additional insured, providing coverage for Beneficiary regardless of whether the asserted claim is also asserted against Grantor.

(iii) Builder's Risk Insurance. During the course of any construction or repair at the Premises, builder's risk insurance against all risks of physical loss, on a completed value basis, including collapse and transit coverage, with a deductible approved by Beneficiary, covering the total value of work performed and equipment, supplies and materials furnished, and containing the "permission to occupy upon completion of work" endorsement.

(b) Exculpation; General Provisions Related to All Policies. Neither Trustee nor Beneficiary shall be obligated to obtain insurance, nor be responsible for the collection of any insurance monies or for any insolvency of any insurer or insurance underwriter. All policies of insurance required by this Deed of Trust (i) shall contain an endorsement or an agreement of the insurer that any loss shall be payable in accordance with the terms of such policy notwithstanding any act of negligence of Grantor or Beneficiary which might otherwise result in forfeiture of said insurance and further waiving all rights of setoff, subrogation, counterclaim or deductions against Beneficiary; (ii) shall be issued in amounts no less than those specified in this section and shall be issued by companies acceptable to Beneficiary; and (iii) shall contain a provision that such policies will not be cancelled or amended, or be subject to any reduction in the scope or limits of coverage, without at least thirty (30) days prior written notice to Beneficiary.

(c) Delivery of Insurance Policies. Payment of Premiums. Grantor shall furnish Beneficiary with a copy of each policy of insurance required hereunder and a certificate of each policy of insurance required hereunder evidencing the required coverage, each such certificate setting forth the coverage, the limits of liability, the name of the carrier, the policy number and the expiration date. At least thirty (30) days prior to the expiration of each such policy, Grantor shall furnish Beneficiary evidence of the reissuance of such policy continuing insurance in force as required by this Deed of Trust. In the event any such insurance policy or evidence of payment of premium are not so delivered to Beneficiary as required hereunder, Grantor, by executing this Deed of Trust, specifically requests Beneficiary to obtain and pay for, and Beneficiary may obtain and pay for, such insurance for such risks covering Beneficiary's interest in the Premises (without notice to or demand upon Grantor and without releasing Grantor from any obligation hereunder), and Grantor shall pay all premiums thereon promptly upon demand by Beneficiary, and until such payment is made by Grantor the amount of all such premiums together with interest thereon at the Advance Rate

(defined in Section 2.10) from the date of payment by Beneficiary shall be secured by this Deed of Trust.

WARNING

UNLESS YOU (GRANTOR) PROVIDE US (BENEFICIARY) 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 WILL BE ADDED TO YOUR LOAN BALANCE IF NOT PAID WITHIN FOURTEEN (14) DAYS OF WRITTEN REQUEST BY BENEFICIARY. IF THE COST IS ADDED TO YOUR LOAN BALANCE, THE INTEREST RATE ON THE UNDERLYING 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.

(d) Casualty Insurance Proceeds. If all or any part of the Premises is damaged or destroyed, then all proceeds of insurance ("Casualty Insurance Proceeds") shall be payable and paid to Beneficiary and Grantor jointly and not severally, and thereafter be deposited and held in a separate account so as not to commingle the Casualty Insurance Proceeds with either Beneficiary's or Grantor's separate funds. The net amount of the Casualty Insurance Proceeds (meaning all such proceeds received by Beneficiary and Grantor less costs incurred by Beneficiary, if any, in the collection thereof, including, without limitation, attorney fees) shall be applied, either wholly or in part, to the Secured Obligations and/or made available to Grantor to be used to restore the damaged property as agreed by Grantor and Beneficiary in writing based on a good faith evaluation of the following factors, with the mutual goal of maintaining or improving the value and productivity of the Premises into the future without jeopardizing Grantor's ability to timely meet its obligations under the Note and this Deed of Trust during and after any restoration work: (1) the cause of the damage or destruction leading to the Casualty Insurance Proceeds, (2) the cost of restoration in relation to the dollar value of the available Casualty Insurance Proceeds, (3) the impact of the casualty event on Grantor's ability to timely meet its obligations under the Note and this Deed of Trust during and after any restoration work, (4) the approximate pre- and post-restoration market value of the Premises, and (5) any requirements of the insurance company issuing Casualty Insurance

Proceeds in connection with a casualty event. To request that any Casualty Insurance Proceeds be used for restoration work, such restoration work must be feasible with the net Casualty Insurance Proceeds available, must result in reconstructed Premises at least equal in quality and condition to the Premises in existence prior to the damage or destruction, and the value of the Premises as restored following such restoration must exceed the unpaid balance of the Secured Obligations. If Grantor and Beneficiary cannot agree following their good faith evaluation of the foregoing considerations that the proposed restoration will maintain or improve the value and productivity of the Premises into the future without jeopardizing Grantor's ability to timely meet its obligations under the Note and this Deed of Trust during and after any restoration work, then the Casualty Insurance Proceeds will be applied to the Secured Obligations.

(i) Application of Insurance Proceeds to Indebtedness. Any Casualty Insurance Proceeds to be applied to the Secured Obligations shall be applied first against all amounts due hereunder or under the Note other than principal or interest, second against accrued, unpaid interest on the Note, and third against the principal balance of the Note. No such application shall excuse or reduce the amount of any regular payment required under the terms of any document related to the Secured Obligations. Grantor hereby authorizes and directs any affected insurance company to make payment of such insurance proceeds to Beneficiary and Grantor jointly and not severally. If the Premises are materially damaged by a casualty and Casualty Insurance Proceeds are applied to the Secured Obligations pursuant to the terms hereof, then Beneficiary, at its option, may elect to accelerate the Secured Obligations and declare the same to be due and payable.

(ii) Disbursement of Insurance Proceeds for Restoration. If any Casualty Insurance Proceeds are made available to Grantor to rebuild the Premises, the disbursement of such proceeds shall be made by Beneficiary and Grantor jointly and incrementally as work is completed and subject to such conditions as Beneficiary may impose in its absolute discretion. Such Casualty Insurance Proceeds to be made available for restoration will be the net Casualty Insurance Proceeds remaining after deducting all expenses of collection, including attorney fees.

(iii) No Limit on Grantor's Obligations. Nothing herein contained shall excuse Grantor from repairing or maintaining the Premises, as provided in Section 2.3 or restoring all damage or destruction to the same, regardless of the existence, payment or adequacy of insurance proceeds.

(iv) Proof of Loss: Right to Settle. Grantor shall give prompt written notice to Beneficiary of any casualty to all or part of the Real Property, Improvements or Personal Property. Beneficiary may make proof of loss if Grantor fails to do so within twenty (20) days of the casualty, but in all events Beneficiary may make proof of loss within the time period required to protect the rights of the insureds under any policy of insurance if Grantor fails to do so. Beneficiary is authorized at its option to either (A) settle and adjust any claim under such policies with the consent of Grantor (except that, after any event of default, no consent of Grantor shall be required), or (B) allow Grantor to agree with the insurance company or companies on the amount to be paid upon the loss; and in any case Beneficiary shall, and is authorized to, collect and receipt for any such insurance proceeds; and the reasonable expenses incurred by Beneficiary in the adjustment and collection of insurance proceeds shall be deducted from said proceeds and reimbursed to Beneficiary.

(e) Assignment of Insurance Policies Upon Foreclosure. Grantor assigns to Beneficiary all unearned premiums under all insurance policies required hereunder and agrees that in the event of foreclosure of this Deed of Trust or other transfer of title or assignment of the Premises in extinguishment, in whole or in part of the debt secured hereby, all right, title and interest of Grantor in and to all policies of insurance required hereunder shall inure to the benefit of and pass to the successor in interest to Grantor or the purchaser or grantee of the Premises.

(f) Waiver and Release. Grantor waives all claims against Beneficiary and the Beneficiary Parties for loss or damage to Grantor, the Premises, Grantor's property or the property of others from any cause whatsoever, regardless of whether now existing or insured against or required to be insured against pursuant to this Deed of Trust. All terms of the Secured Obligations shall be paid and performed without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction.

2.6 Condemnation. The Grantor, immediately upon obtaining knowledge of any contemplated condemnation of the Premises or any portion thereof, or of the institution of any proceeding for the condemnation of the Premises or any portion thereof, shall notify Beneficiary of the pendency thereof. Grantor assigns, transfers and sets over to Beneficiary all compensation, rights of action, the entire proceeds of any award and any claim for damages for any of the Premises taken or damaged under the power of eminent domain or by condemnation or by sale in lieu thereof. Beneficiary may, at its option, commence, appear in and prosecute, in its own name, any action or proceeding, or make any compromise or settlement, in connection with such condemnation, taking under the power of eminent domain or sale in lieu thereof. After deducting therefrom all of its expenses, including attorney fees, the net proceeds of the award which have been paid to Beneficiary shall be applied to the payment of the indebtedness secured hereby, or, at the election of Beneficiary, in Beneficiary's sole and absolute discretion, may be made available to Grantor for restoration or rebuilding of the Premises if such restoration is feasible in such a way as to restore the Premises to the same use and at least the condition and quality as the Premises existed prior to the condemnation, the value of which shall exceed the sum of the then unpaid balance of the debt secured hereby. Any such condemnation proceeds made available to Grantor by Beneficiary shall be advanced to Grantor under a disbursement system designated by Beneficiary. To the extent that such proceeds are paid to Beneficiary but are either not made available to Grantor under the preceding sentence, or are not used by Grantor for such purpose within one hundred eighty (180) days, such proceeds shall be applied to the indebtedness and obligations secured hereby in the manner set forth in Section 2.5(d)(i). Beneficiary, at its option, may declare the Secured Obligations to be entirely due and payable if the condemnation materially affects the Premises or the use thereof and the proceeds are not made available to Grantor for rebuilding. Grantor agrees to execute such further assignments of any compensation, award, damages, right of action and proceeds from any such condemnation affecting the Premises or any portion thereof as Beneficiary may require.

2.7 Liens and Encumbrances. Grantor shall pay, when due, all obligations, lawful claims or demands of any person which, if unpaid, might result in, or permit the creation of, a lien or encumbrance on the Premises or any portion thereof, including all claims of contractors, laborers, suppliers and others for work or labor performed or materials or supplies furnished or rented in connection with any work, alteration, improvement of or construction upon the Premises; provided, however, that in the event Grantor disputes the amount or validity of any claim which constitutes a lien or encumbrance on the Premises, Grantor may contest such claim provided (a) Grantor gives to Beneficiary prior written notice of such contest, (b) Grantor causes such lien to

be removed, by bond or deposit as allowed by applicable law, from the Premises within fifteen (15) days of the filing of such lien or claim, (c) Beneficiary's interest in the Premises and/or the lien of this Deed of Trust are not, in Beneficiary's sole opinion, jeopardized thereby, and (d) Grantor promptly pays any amount ultimately determined to be due.

2.8 Indemnification. Grantor shall appear in and defend any suit, action or proceeding that, in the sole judgment of Beneficiary, may affect the value of the Premises, the title to the Premises or the rights and powers of Trustee or Beneficiary. Grantor shall indemnify Beneficiary, the Beneficiary Parties and Trustee from and against any claim, loss, cost, damage or expense (including attorney fees) arising out of or related to this Deed of Trust, the Premises or the condition (whether now existing or hereafter arising) thereof. The indemnity obligations of Grantor here and elsewhere in this Deed of Trust shall survive the reconveyance or foreclosure hereof.

2.9 Sale of Premises. In addition to any other right available hereunder, at law or in equity, Beneficiary may declare all sums secured hereby immediately due and payable if, without Beneficiary's prior written consent or as may be otherwise expressly permitted by the terms of this Deed of Trust: (a) Grantor sells, assigns, transfers, conveys, contracts or agrees to sell (as by execution of a land sale contract), enters into a complete lease, a master lease, or a ground lease, in each case exceeding 3 years (including any renewal term(s)), with respect to, encumbers, mortgages, assigns for security purposes, or otherwise disposes of, hypothecates or alienates, voluntarily or involuntarily, all or any part of the Premises or any interest of Grantor therein, except as allowed under the terms hereof; (b) Grantor suffers title to or any interest in the Premises to be divested, whether voluntarily or involuntarily; (c) if any party comprising Grantor is a partnership (general or limited) or a joint venture and any portion of any general partnership interest of any general partner or joint venture interest of such party is sold, transferred, mortgaged or otherwise disposed; (d) if Grantor is any form of cotenancy and any portion of the interest of any cotenant is sold, transferred, mortgaged or otherwise disposed; (e) if Grantor or any general partner of Grantor or any cotenant of Grantor is a privately held corporation (*i.e.*, a corporation whose stock is not publicly traded on a stock exchange) or a limited liability company and twenty-five percent (25%) or more, in the aggregate, of the capital stock or ownership of any such corporation or limited liability company is sold, transferred, hypothecated or otherwise disposed; or (f) if any party comprising Grantor is a trust, and such trust is dissolved or liquidated or extraordinary distributions of the assets of such trust are made. The foregoing acts are herein referred to as a "Sale" and a Sale without the prior written consent of Beneficiary shall be an Event of Default hereunder. Beneficiary may withhold such consent in its sole and absolute discretion. Any consent by Beneficiary to one Sale shall not constitute a waiver of Beneficiary's rights hereunder with respect to any subsequent Sale. In the event of a Sale which is a conveyance without the prior written approval of Beneficiary, the Beneficiary may, without notice to the Grantor, deal with such successor or successors in interest with reference to this Deed of Trust and the Note in the same manner as with Grantor, without in any way releasing, discharging or otherwise affecting the liability of Grantor hereunder or under the Note or any other document evidencing or securing any Secured Obligation. No Sale shall affect Grantor's obligation to perform each term and provision hereof, nor release Grantor from any liability hereunder.

2.10 Advances. If Grantor shall fail to perform any of the covenants contained herein, in the Note, in any instrument constituting additional security for the Note, in any Permitted Exception, or in any document evidencing or securing any Secured Obligation, Beneficiary may, but without obligation to do so, make advances to perform same on behalf of Grantor, and all sums so

advanced shall be secured by this Deed of Trust. Grantor shall repay on demand all sums so advanced in its behalf with interest at the rate of eighteen percent (18%) per annum or the highest rate permitted to be charged by applicable law, whichever is the lesser (the "Advance Rate"), from the date of expenditure until the date repaid. Nothing herein contained shall prevent any such failure to perform on the part of Grantor from constituting an Event of Default and no exercise by Beneficiary of any right hereunder shall constitute a waiver of such Event of Default.

2.11 Time. Grantor agrees that time is of the essence with respect to all obligations of Grantor under this Deed of Trust.

2.12 Assignment of Rents, Leases and Income from Operations. As additional security, Grantor assigns to Beneficiary all rents, income, revenues and profits arising from the Premises, and all of Grantor's right, title and interest in and to the Tenant Leases. Specifically included in this additional security, but without limitation, are all income, revenues, profits, accounts, accounts receivable, contract rights and general intangibles derived from any operations conducted on the Premises, including rent or room rates, if any, which flow directly from the Premises and all income, revenues, profits, rents, room rates, accounts, accounts receivable, contract rights, and general intangibles derived from any operations on the Premises which constitute Personal Property. Grantor shall have the right to collect, retain and use rentals from the Premises prior to an Event of Default. This assignment shall not operate to place the responsibility for the control, care, management, or repair of the Premises upon Beneficiary. Upon an Event of Default, Beneficiary shall have the right, at its election, independently or through a receiver, to collect the rents, income and profits arising from the Premises, without impairing any other right of Beneficiary. Grantor shall authorize and direct, and does hereby authorize and direct, each and every present and future tenant under a Tenant Lease affecting the whole or any part of the Premises to pay all rental to Beneficiary from and after the date of receipt of written demand from Beneficiary to do so. Grantor covenants and agrees that it shall promptly and faithfully perform, or cause to be performed, all of the covenants, conditions and agreements contained in all Tenant Leases on the part of the lessor thereunder to be kept and performed. Beneficiary shall have no obligation to collect rents or any other items of income or to perform any obligation with respect to any Tenant Lease. Following the occurrence of any Event of Default, Beneficiary may require Grantor to hold all rents and any items of income described herein in trust for Beneficiary, without commingling, and deliver the same to Beneficiary. In the event Beneficiary or a receiver collects rents or such items of income, then Grantor irrevocably appoints Beneficiary as its attorney-in-fact, deemed coupled with an interest, to demand, collect, receive, receipt for, sue for and recover all rents and income, to negotiate checks in connection with the foregoing, and to settle or compromise claims related to the Tenant Leases.

2.13 Additional Security Agreement and Security Interest Provisions.

(a) Security Agreement. Grantor warrants that (a) no financing statement covering any of the Personal Property is on file in any public office; (b) Grantor owns the Personal Property, and each and every part thereof, and the same is and shall be free from any prior lien, security interest or encumbrance except that in favor of Beneficiary; and (c) Grantor will defend title to the Personal Property against the claims and demands of all persons whomsoever; and (d) if Grantor is an entity, the state of organization of Grantor stipulated herein is true and correct. Grantor shall, upon request, execute and deliver such financing statements and other documents and agreements as Beneficiary may request to perfect and continue Beneficiary's security interest in the Personal Property, and Grantor authorizes Beneficiary to file any financing statements Beneficiary

may deem necessary from time to time without the joinder or approval of Grantor. Information pertaining to the security interest imposed hereby may be obtained from Grantor and Beneficiary at their respective addresses set forth herein.

(b) Security Interest. Grantor hereby authorizes Beneficiary to prepare and file all such UCC-1 financing statements and amendments thereto and continuations thereof, and take whatever other action as Beneficiary deems appropriate to perfect and continue Beneficiary's security interest in the Personal Property. Grantor hereby appoints Beneficiary as Grantor's attorney-in-fact for the purpose of executing any documents necessary to perfect or continue the security interest granted therein and authorizes Beneficiary to file such financing statements as Beneficiary deems appropriate to protect its security interest in the Personal Property. Beneficiary may file copies or reproductions of this Deed of Trust as a financing statement at any time and without further authorization from Grantor. Grantor shall reimburse Beneficiary for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall assemble the Personal Property and make it available to Beneficiary within three (3) days after receipt of written demand from Beneficiary.

(c) Fixture Filing. This instrument constitutes a financing statement filed as a fixture filing in the Official Records of the County Recorder of the county in which the Premises is located with respect to any and all fixtures included within the term Premises as used herein and with respect to any goods or other personal property that may now be or hereafter become fixtures.

Name and address of Beneficiary (Secured Party) from whom information may be obtained:

David B. Oxley and Marganne Winter Oxley, Trustees of the David and Marganne Oxley Trust dated May 16, 2011
P.O. Box 110
Corrigan, TX 75939
Attn: David Oxley

Address of Grantor (Debtor):

Paul and Alysha Crawford
P.O. Box 45
Malin, OR 97632

2.14 Inspections. Beneficiary, and its agents, representatives and workmen, are authorized, but not obligated, to enter at any reasonable time following not less than forty-eight (48) hours prior notice to Grantor upon or in any part of the Premises for the purpose of inspecting the same, and for the purpose of performing any of the acts it or Grantor is authorized to perform under the terms of this Deed of Trust. Grantor has the right to be present during any inspection by Beneficiary, and its agents, representatives and workmen, of the dwelling, shop or other buildings situated on the Real Property.

2.15 Imposition of Tax. The enactment of any tax upon this Deed of Trust (whether chargeable against an owner, mortgagee or holder of an indebtedness) or upon all or any part of the Secured Obligations shall constitute an Event of Default, and Beneficiary may exercise any remedy available to it in the case of an Event of Default, unless Grantor (a) lawfully pays the tax

or charge, or reimburses Beneficiary therefor, and (b) agrees, in writing, within thirty (30) days after notice from Beneficiary that the tax law has been enacted, to pay the tax or charge or reimburse Beneficiary therefor.

2.16 Land Use Matters. Grantor warrants that (a) the Real Property and Improvements do and shall at all times comply with the applicable zoning ordinance and comprehensive plan (and any overlay zoning ordinances or other land use control laws and ordinances), and all applicable land use permits and approvals, and (b) the Improvements and uses thereof are and shall be uses permitted as of right. Grantor shall not cause any zone change or comprehensive plan change with respect to the Real Property or the Improvements, submit the Premises to any form of condominium or planned community ownership, cause or allow any subdivision or partition with respect to the Premises or consent to the inclusion of the Premises in a special or local improvement district, without in each instance, obtaining the prior written consent of Beneficiary, which may be withheld by Beneficiary in its sole and absolute discretion.

2.17 Utilities. Grantor shall pay or cause to be paid when due all utility charges which are incurred by Grantor or others for the benefit of or for service to the Premises or which may become a charge or lien against the Premises for gas, electricity, water, sewer or other utility services furnished to the Premises and all other assessments or charges of a similar nature, whether public or private, affecting the Premises or any portion thereof.

2.18 Possession. Until in default hereunder, Grantor may remain in possession and control of and operate and manage the Premises and collect the income from the Premises.

2.19 Foreign Person's Compliance. Grantor represents, warrants and covenants neither Grantor nor any partner of Grantor is a "foreign person" under the International Investment and Trade in Services Survey Act, the Agricultural Foreign Investment Disclosure Act of 1978, the Foreign Investments in Real Property Tax Act of 1980, the amendments of such Acts or regulation promulgated pursuant to such Acts (collectively, the "Foreign Ownership Acts"). Grantor has complied with all filing and reporting requirements of the Foreign Ownership Acts is not in violation thereof. Neither Grantor nor any affiliate of Grantor is or will be an entity or person (a) that is listed in the Annex to, or otherwise subject to, the provisions of Executive Order 13224 issued September 24, 2001 ("EO13224"), (b) whose name appears on the most current list of the United States Treasury Department's Office of Foreign Assets Contract ("OFAC") list of "Specifically Designed National and Blocked Persons," (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, <http://www.treas.gov/ofac/t11sdn.pdf>) as those terms are defined in the OFAC Regulations (31 CFR Section 500, et seq.); (c) who commits, threatens to commit or supports "terrorism", as that term is defined in EO13224, or (d) who is otherwise affiliated with any entity or person listed above (any and all parties or persons described in subparts [i] – [iv] above are herein referred to as a "Prohibited Person"). Grantor covenants and agrees that Grantor does not, and shall not (i) conduct any business, or engage in any transaction or dealing, with any Prohibited Person, including, but not limited to the making or receiving of any contribution of funds, goods, or services, to or for the benefit of a Prohibited Person, or (ii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in EO13224.

2.20 Farm or Forest Classification. Grantor agrees to maintain the farm use or forest lands classification of the Real Property on the tax rolls, and not to allow any act or omission which would disqualify the Real Property for assessment as farm or forest lands.

2.21 Water Rights. All existing water rights benefiting the Premises shall be maintained by Grantor and applied to beneficial use so as to maintain the validity and priority of such rights. Grantor shall not sell, transfer, assign, encumber, convey, or surrender any of the water rights nor, without Beneficiary's written consent, agree with any third party to any period of nonuse of the same. Grantor shall give Beneficiary prompt notice of all notices and proceedings affecting water use in connection with the Property. Grantor agrees to execute any instrument deemed necessary by Beneficiary to effect a collateral assignment of water rights to Beneficiary. Grantor may temporarily transfer Klamath Irrigation District water allocations with respect to the Premises to other real property owned or leased by Grantor within the Klamath Irrigation District as deemed most beneficial to Grantor's total farm operations, provided that each such temporary transfer shall not exceed a period of one (1) year and provided further that Grantor shall not take any action, or undertake any such temporary transfer, if such action or temporary transfer would jeopardize the validity or priority of such water allocations or their future availability for use on the Premises following a temporary transfer.

3. DEFAULT.

3.1.1 Events of Default. The following, in addition to all other acts, events, and conditions declared to be events of default herein, are events of default hereunder ("Events of Default"):

(a) The occurrence of any event of default with respect to the Note or any other instrument or agreement which evidences or secures any of the Secured Obligations other than this Deed of Trust.

(b) Failure by Grantor to make any payment to Beneficiary or to any third party when due in accordance with the terms of this Deed of Trust.

(c) Failure by Grantor to perform, when due, any of the terms, covenants and conditions set forth in this Deed of Trust other than the obligations mentioned in Sections 3.1(a) and (b); provided, however, that Grantor shall have a period of fifteen (15) days following notice from Beneficiary to cure any such Event of Default under this Deed of Trust if (i) Grantor promptly requests such cure period, in writing, and (ii) in Beneficiary's opinion (1) such Event of Default can be cured within such time period, and (2) the lapse of such time period would not jeopardize Beneficiary's interest in the Premises or Beneficiary's ability to collect all amounts secured hereby.

(d) Breach of any warranty or representation given by Grantor to Trustee or Beneficiary.

(e) Without implying consent of Beneficiary to the creation of any lien encumbering the Premises, institution of foreclosure or other proceedings (either judicial or nonjudicial) to enforce any security interest or other lien or encumbrance (junior or senior) of any kind upon the Premises or any portion thereof or interest therein.

(f) Grantor, any cotenant or general partner of Grantor, any guarantor of any Secured Obligation, or any successor or assign thereof: (i) files a voluntary petition in bankruptcy or for an arrangement or reorganization pursuant to the Federal bankruptcy statutes, or any similar law, state or Federal ("Bankruptcy Proceeding"); (ii) is the object of any involuntary Bankruptcy Proceeding which is not stayed or dismissed within sixty (60) days of filing; (iii) is adjudicated a bankrupt or declared insolvent in any Bankruptcy Proceeding; (iv) has a trustee or receiver appointed for it or has any court take jurisdiction of any of its property in any reorganization, arrangement, dissolution or liquidation proceeding, unless such trustee or receiver is discharged or if such jurisdiction be relinquished or vacated within thirty (30) days of appointment or commencement; or (v) makes an assignment for the benefit of its creditors or consents to an appointment of a receiver or trustee of any of its property.

(g) The occurrence or existence of any default (after passage of any applicable cure period) under any Permitted Exception.

3.2 Remedies. In addition to any other rights and remedies provided herein, in the Note, in any document evidencing or securing the Secured Obligations, or available at law or in equity, Beneficiary shall have the following rights and remedies upon the occurrence of any Event of Default:

(a) Acceleration. Beneficiary, by written notice given to Grantor, may declare the entire principal of the Note then outstanding, and all accrued and unpaid interest thereon, and all other Secured Obligations, to be due and payable immediately.

(b) Possession and Receiver. The Trustee or Beneficiary, personally or by its agents or attorneys, or through a duly appointed receiver, may enter into and upon all or any part of the Premises, and each and every part thereof, and may exclude the Grantor and its agents wholly therefrom; and may possess, use, operate, manage, improve and control the Premises. Trustee or Beneficiary shall be entitled to collect and receive all earnings, revenues, issues, profits and income of the Premises whether or not Beneficiary, Trustee, or a receiver is then in possession of the Premises. Beneficiary shall be entitled to the appointment of a receiver as a matter of right, whether or not the apparent value of the Premises exceeds the indebtedness secured hereby, and any receiver appointed may serve without bond. Employment by Beneficiary shall not disqualify a person from serving as a receiver. The exercise of any right under this section shall not be deemed an election of remedies nor a "pending action" so as to preclude the exercise of any other right or remedy. Upon taking possession of all or any part of the Premises, the receiver may:

(i) Possess, manage, control, and conduct the business of the Premises and make expenditures for all maintenance and improvements as in its judgment are proper; and

(ii) Collect all revenues, income, issues, profits, contract rights, accounts, accounts receivable and general intangibles from the Premises and apply such sums or the proceeds thereof to the expenses of use, operation and management.

If the revenues produced by the Premises are insufficient to pay expenses, the receiver may borrow, from Beneficiary or otherwise, such sums as it deems necessary for the purposes stated herein and repayment of such sums shall be secured by the lien hereof. The amounts borrowed from

or advanced by Beneficiary shall bear interest at the Advance Rate from the date of expenditure until repaid, and such amounts and interest shall be an indebtedness of Grantor secured hereby.

(c) Uniform Commercial Code. Beneficiary shall have all of the remedies of a secured party under the Uniform Commercial Code as adopted in the State of Oregon and any other applicable law. To the extent permitted by law, Grantor expressly waives any notice of sale or other disposition and notice of the exercise of any other right or remedy of Beneficiary arising by reason of an Event of Default hereunder, and to the extent any such notice is required and cannot be waived, Grantor agrees, for the purpose of this Section only, that if such notice is mailed, postage prepaid, to the Grantor at the above address at least fifteen (15) days before the time of the sale or disposition, such notice shall be deemed reasonable and shall fully satisfy any requirement for giving of said notice.

(d) Sale. The Trustee may, and upon the written request of Beneficiary, shall, and the Beneficiary may to the extent permitted by law, with or without entry, personally or by its agents or attorneys insofar as applicable:

(i) Sell the Premises and otherwise exercise the power of sale granted herein as a nonjudicial foreclosure of this Deed of Trust in the manner provided by applicable laws pertaining to the foreclosure of deeds of trust;

(ii) Institute proceedings for the complete or partial judicial foreclosure of this Deed of Trust as a mortgage in the manner provided by applicable law; and/or

(iii) Apply to any court of competent jurisdiction for the appointment of a receiver for the Premises to operate the same and collect all the earnings, revenues, issues, profits and income therefrom.

(e) Proceeds. In the event of any judicial or nonjudicial foreclosure sale made under or by virtue of this section, the entire principal of and interest on the Note, if not previously due and payable, and all other sums secured hereby, immediately thereupon shall become due and payable. The proceeds of any sale made under or by virtue of this section, together with any other sums which then may be held by the Trustee or Beneficiary under this Deed of Trust shall be applied in the manner provided by law. Upon any judicial or nonjudicial sale made under or by virtue of this section, the Beneficiary may bid for and acquire the Premises or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the indebtedness of the Grantor secured by this Deed of Trust the net sales price after deducting therefrom the expenses of the sale and the cost of the action and any other sums which the Beneficiary is authorized to deduct under this Deed of Trust.

(f) Tenancy at Will. In the event Grantor remains in possession of the Premises after the same have been sold as provided herein or after Beneficiary otherwise becomes entitled to possession of the same, Grantor shall become a tenant at will of Beneficiary or the purchaser of the Real Property and shall pay, while in possession, a reasonable rental for use of the Real Property and Improvements.

(g) Remedies Not Exclusive. No remedy granted herein is intended to be exclusive of any other remedy provided herein or at law or in equity, but each shall be cumulative.

Each such remedy may be exercised singly, collectively or seriatim, and as often as may be deemed expedient by Trustee or Beneficiary. If there exists additional security for the performance of the obligations secured hereby, Beneficiary, at its sole option and without limiting or affecting any rights or remedies hereunder, may exercise any of the rights and remedies to which it may be entitled hereunder either concurrently with whatever other rights it may have in connection with such other security or in such order as it may determine.

4. MISCELLANEOUS TERMS AND CONDITIONS.

4.1 **Acceptance of Trust; Notice.** The Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is recorded. 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 Trustee brings such action.

4.2 **Powers of Trustee.** Trustee or Beneficiary may from time to time apply in any court of competent jurisdiction for aid and direction in the execution of the trusts hereunder and the enforcement of the rights and remedies available hereunder, and Trustee or Beneficiary may obtain orders or decrees directing or confirming acts in the execution of said trusts. Grantor shall pay to Trustee reasonable compensation and reimbursement for services and expenses in the administration of the trusts created hereunder, including reasonable attorney fees, but in no event more than allowed by any applicable statute. Grantor agrees to and does indemnify Trustee and Beneficiary against all losses, claims, demands and liabilities which either may incur, suffer or sustain in the execution of the trusts created hereunder or in the performance of any act required or permitted hereunder or by law. In addition to the foregoing powers of Trustee and the powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Premises upon the request of Beneficiary and Trustor:

(a) Join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights in the public.

(b) Join in granting any easement or creating any restriction on the Real Property.

(c) Join in any subordination or other agreement affecting this Deed of Trust or the interest of Beneficiary under this Deed of Trust.

(d) Reconvey, without warranty, all or any part of the Premises.

4.3 **Substitution of Trustee.** By a writing signed and acknowledged by Beneficiary and filed for record in the office of the recorder of the county in which the Real Property is situated, Beneficiary from time to time may appoint another trustee to act in the place and stead of Trustee or any successor, without notice to Grantor or Trustee and with or without cause and with or without the resignation of the Trustee. Upon such appointment and without conveyance to the successor Trustee, the latter shall be vested with all title, powers and duties conferred upon the Trustee herein named or acting hereunder. The procedure herein provided for substitution of the Trustee shall be conclusive of all other provisions for substitution, statutory or otherwise.

4.4 **Leases.** In the event Beneficiary shall institute judicial proceedings to foreclose the lien hereof, and shall be appointed as a mortgagee in possession of the Premises, Beneficiary, during such time as it shall be mortgagee in possession, shall have, and Grantor hereby gives and grants to Beneficiary, the right, power and authority to make and enter into leases of the Premises or any portion thereof for such rents and for such periods of occupancy and upon such conditions and provisions as such mortgagee in possession may deem desirable, and Grantor expressly acknowledges and agrees that the term of any such lease may extend beyond the date of any sale of the Premises hereunder, it being the intention of Grantor that, while Beneficiary is a mortgagee in possession of the Premises, Beneficiary shall be deemed to be and shall be the attorney-in-fact of Grantor for the purpose of making and entering into leases of parts or portions of the Premises for the rents and upon the terms, conditions and provisions deemed desirable by Beneficiary. The power and authority hereby given and granted by Grantor to Beneficiary shall be deemed to be coupled with an interest and shall not be revocable by Grantor.

4.5 **Marshaling of Assets.** Grantor hereby expressly waives all rights to require a marshaling of assets by the Trustee or Beneficiary or to require Trustee or Beneficiary to first resort to the sale of any portion of the Premises which might have been retained by Grantor before foreclosing upon and selling any other portion thereof.

4.6 **Non-waiver.** By accepting payment of any sum secured hereby after its due date or late performance of any obligation secured hereby, Beneficiary shall not waive its right against any person obligated directly or indirectly hereunder or on any indebtedness hereby secured either to require prompt payment or performance when due of all other sums and obligations so secured or to declare a default for failure to make such payment. No exercise of any right or remedy by Trustee or Beneficiary hereunder shall constitute a waiver of any other right or remedy allowed herein, in any other document evidencing or securing any Secured Obligation, or at law or in equity. No delay or omission of the Trustee or Beneficiary in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

4.7 **Rules of Construction.** When the identity of the parties or the context of a provision makes it appropriate, the neuter gender shall include the feminine and masculine, and the singular shall include the plural. The headings of each section are for information and convenience only and shall not limit or affect the contents of any provisions hereof. In construing this Deed of Trust, the term "Deed of Trust" shall encompass the term "security agreement" when the instrument is being construed with respect to any personal property.

4.8 **Severability.** If any term of this Deed of Trust or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Deed of Trust shall not be affected thereby, and each term of this Deed of Trust shall be valid and enforceable to the fullest extent permitted by law.

4.9 **Successors in Interest; Joint and Several Liability.** Subject to the limitations set forth in Section 2.9, this Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, executors, administrators, successors and assigns. If Grantor is comprised of more than one person or entity, then all obligations of Grantor hereunder are joint and several and each party comprising Grantor agrees and promises to pay the

Secured Obligations. The term “Beneficiary” shall mean the holder and owner, including pledgees, of the Note secured hereby, whether or not named as Beneficiary herein.

4.10 **Notices.** All notices to be given pursuant to this Deed of Trust shall be in writing and shall be sufficient if personally delivered or deposited in the United States Mail, postage prepaid, certified or registered mail, return receipt requested, addressed to the party to whom directed at its address shown above. Notices (as distinguished from payments) will be deemed received when personally delivered or two (2) days after deposit in the United States Mail. Any party may change its address set forth herein by giving ten (10) days prior written notice thereof to all other parties.

4.11 **Changes in Writing.** This Deed of Trust and any of its terms may only be changed, waived, discharged or terminated by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. Any agreement subsequently made by Grantor or Beneficiary relating to this Deed of Trust shall be superior to the rights of the holder of any intervening lien or encumbrance.

4.12 **Attorney Fees.** If any litigation or arbitration is instituted to enforce or interpret any provision hereof, or to foreclose this Deed of Trust, the prevailing party shall be entitled to collect, in addition to all other amounts and relief, its court costs, title search costs, and other reasonable attorney fees, incurred both at and in preparation for trial and any appeal or review, such amount to be set by the court before which the matter is heard. Without limitation on and in addition to the foregoing, Grantor agrees to reimburse Beneficiary for all such costs and fees which Beneficiary may incur in connection with any bankruptcy or similar proceeding wherein the Grantor, or any guarantor, surety or accommodation party is the “debtor,” including (without limitation) issues peculiar to Federal bankruptcy law. If Beneficiary is the prevailing party, such costs and attorney fees shall be secured by this Deed of Trust.

4.13 **Priority of Trust Deed.** The terms of the obligation secured hereby may provide that the interest rate, payment terms or balance due may be indexed, adjusted or renewed. The priority of this Deed of Trust shall not be affected by renegotiation or adjustment of the interest rate provided in the Note (which may increase or decrease the amount of periodic payments or extend or shorten the term of this Deed of Trust), any increase in the underlying obligation as a result of deferment of all or a portion of interest payments and the addition of such payments to the outstanding balance of the obligation, or the execution of new agreements which reflect such changes.

4.14 **Commercial Trust Deed.** This Deed of Trust is a commercial trust deed and is not a residential trust deed, as the phrase “residential trust deed” is defined in ORS 86.705, and the provisions of ORS 86.705 through 86.815 applicable to the foreclosure of commercial trust deeds shall apply to this Deed of Trust at the option of Beneficiary. Grantor warrants that the loan secured hereby is for commercial purposes and is not for residential, household, personal or consumer purposes.

4.15 **Mutual Negotiation.** Beneficiary and Grantor confirm that they have mutually negotiated this Deed of Trust and that none of the terms or provisions of this Deed of Trust shall be presumptively construed against either party.

4.16 Report of Real Estate Transaction. Grantor has made or provided for making, or will make or provide for making, on a timely basis, any reports or returns required under Section 6045(e) of the Internal Revenue Code of 1986 as amended (the “Code”) (and any similar reports or returns required by state or local law) relating to the Premises, notwithstanding the fact that the primary reporting responsibility may fall on Beneficiary, counsel for Beneficiary, or another party. Grantor’s obligations under this Section will be deemed to be satisfied if proper and timely reports and returns required under this Section are filed by a title company or real estate broker involved in the real estate transaction relating to the Premises, but nothing contained herein shall be construed to require such returns or reports to be filed by Beneficiary or counsel for Beneficiary.

4.17 Assignment by Beneficiary. Beneficiary may assign this Deed of Trust, in whole or in part, and may grant participation in any of its rights under this Deed of Trust to (a) any chartered financial institution, without notice and without affecting Grantor’s liability under this Deed of Trust, or (b) any other person or entity upon the written consent of Grantor, which consent cannot be unreasonably withheld, conditioned or delayed, and without affecting Grantor’s liability under this Deed of Trust (each assignment pursuant to the foregoing (a) and (b), a “Permitted Assignment”). In connection with any Permitted Assignment, Beneficiary may make available to any person all credit and financial data furnished or to be furnished to Beneficiary by Grantor or any guarantor of the Note. Grantor further agrees to provide to the person designated by Beneficiary any information as such person may reasonably require to form a decision regarding any Permitted Assignment.

4.18 Release of Security. Beneficiary shall have the right to release, with or without consideration or credit on the Indebtedness secured, any part of the Premises. Without regard to the existence of any junior encumbrance and without the consent of such junior encumbrance, and such release shall have no further effect upon the rank, lien or estate conveyed of this Deed of Trust

4.19 Modification or Extension of Indebtedness; Release of Obligors. The taking by Grantor of any additional security, the release of any person now or hereafter liable for the repayment of the Secured Obligations, or any extension of the time of payment of the Secured Obligations or the renewal thereof, shall not diminish the effectiveness of this Deed of Trust or the lien of this Deed of Trust and shall not affect or impair the liability of any maker, surety or endorser for the payment of the Secured Obligations.

4.20 Applicable Law. The law of the State of Oregon, including applicable federal law, shall be applicable for the purpose of construing and determining the validity of this Deed of Trust and, to the fullest extent permitted by the law of any state in which any of the Premises is located, determining the rights and remedies of Beneficiary on default.

4.21 Jurisdiction. In the event of a lawsuit relating to, or to enforce, this Deed of Trust, Trustor agrees upon Beneficiary’s request to submit to the jurisdiction of the courts of Klamath County, State of Oregon.

4.22 Covenants Run with the Land. All of the grants, covenants, terms, provisions and conditions herein contained shall run with the Real Property and shall apply to, bind and inure to the benefit of, the successors and permitted assigns of Grantor and Beneficiary.

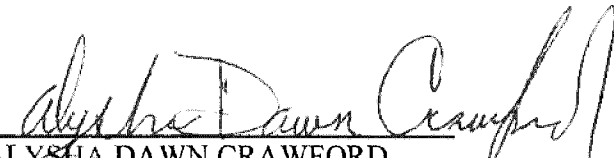
[Signatures and notarial acknowledgements follow]

This Deed of Trust has been executed as of the date first above written.

GRANTOR:



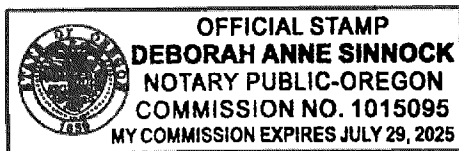
PAUL ROBERT CRAWFORD




ALYSHA DAWN CRAWFORD

STATE OF OREGON)
) ss.
COUNTY OF Klamath)

The foregoing instrument was acknowledged before me this 19th day of January, 2023, by PAUL ROBERT CRAWFORD, an individual known to me.

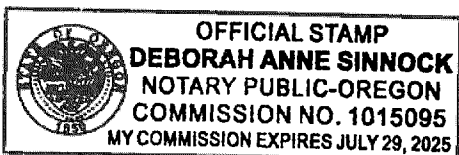





Notary Public for Oregon
My commission expires: 7-29-25

STATE OF OREGON)
) ss.
COUNTY OF Klamath)

The foregoing instrument was acknowledged before me this 19th day of January, 2023, by ALYSHA DAWN CRAWFORD, an individual known to me.





Notary Public for Oregon
My commission expires: 7-29-25

Exhibit A

Legal Description

Real Property situated in the County of Klamath, State of Oregon, and described as follows.

Unsurveyed Parcel 1 of Land Partition 36-08, being a replat of a portion of Parcel B of Minor Land Partition 81-106, situated in the NE1/4 of Section 3, Township 40 South, Range 11 East, Willamette Meridian, Klamath County, Oregon, together with property situated in the N1/2 of Section 2, Township 40 South, Range 11 East, Willamette Meridian, filed February 5, 2009 in 2009-001359, Microfilm Records of Klamath County, Oregon, being more particularly described as follows:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID SECTION 2, FROM WHICH THE NORTHWEST CORNER OF SAID SECTION 2 BEARS N89°49'50"W 345.39 FEET; THENCE S00°10'10"W 57.05 FEET; THENCE S40°38'04"W 45.69 FEET; THENCE S00°36'01"E 330.50 FEET; THENCE S02°16'52"E 602.74 FEET; THENCE S02°20'30"E 932.21 FEET; THENCE S01°05'48"E 249.55 FEET; THENCE WEST 1714.48 FEET, MORE OR LESS, TO THE WEST LINE OF SAID GOVERNMENT LOT 8; THENCE SOUTH, ALONG THE SAID WEST LINE, 520 FEET, MORE OR LESS, TO A POINT 22.2 FEET NORTH OF THE SOUTH LINE OF SAID GOVERNMENT LOT 8; THENCE EAST ON A LINE 22.2 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINES OF GOVERNMENT LOT 8 IN SECTION 3 AND GOVERNMENT LOT 5 IN SECTION 2, 2619 FEET, MORE OR LESS; THENCE S01°40'00"E 87.2 FEET, MORE OR LESS, TO A POINT ON THE SOUTHERLY BOUNDARY OF PARCEL 3 OF BOOK M72 PAGE 7365 OF THE KLAMATH COUNTY DEED RECORDS; THENCE N88°45'E, ALONG THE SAID SOUTHERLY BOUNDARY, 37 FEET, MORE OR LESS, TO THE NORTHWEST CORNER OF BOOK 357 PAGE 339 OF THE KLAMATH COUNTY DEED RECORDS, SAID POINT BEING ON THE WEST LINE OF SAID GOVERNMENT LOT 11; THENCE SOUTH, ALONG THE SAID WEST LINE, 639 FEET, MORE OR LESS, TO THE SOUTH LINE OF THE N1/2 OF SAID GOVERNMENT LOT 11; THENCE EAST, ALONG THE SAID SOUTH LINE, 1308 FEET, MORE OR LESS, TO THE WEST LINE OF SAID GOVERNMENT LOT 10; THENCE SOUTH 679 FEET, MORE OR LESS, TO THE SOUTHWEST CORNER OF SAID GOVERNMENT LOT 10; THENCE EAST 1307 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF SAID GOVERNMENT LOT 10; THENCE NORTH 2721 FEET, MORE OR LESS, TO THE SOUTHWEST CORNER OF SAID GOVERNMENT LOT 1; THENCE EAST 1311 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF SAID GOVERNMENT LOT 1; THENCE N00°08'10"E 1418 FEET, MORE OR LESS, TO THE NORTHEAST CORNER OF SAID SECTION 2; THENCE, ALONG THE NORTH LINE OF SAID SECTION 2 THE FOLLOWING COURSES, N89°50'48"W 1080.74 FEET, N89°50'36"W 1547.00 FEET, N89°50'26"W 1103.65 FEET AND N89°49'50"W 1178.71 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM, ANY PORTION OF THE USBR IRRIGATION LATERAL OWNERSHIP.

BEARINGS ARE BASED ON THE PLAT OF SAID "LAND PARTITION 36-08" ON FILE AT THE OFFICE OF THE KLAMATH COUNTY CLERK AND RECORDED IN INSTRUMENT NO. 2009-001359

Exhibit B

Certain Equipment

Irrigation Personal Property

<u>Wheel Lines</u>	
<u>Number</u>	
1	Approximately 1420' 4" internal gasket wheel line with 64" wheels.
2	Approximately 1460' 4" internal gasket wheel line with 64" wheels.
3	Approximately 770' 4" spike wheel line with 64" wheels.
4	Approximately 240' 4" spike wheels with 64" wheels.
5	Approximately 560' 4" internal gasket wheel line with 52" wheels.
	Approximately 870' 4" O ring wheel line with 76" wheels.
6	Approximately 1220' 4" half internal gasket half spike wheel line with 76" wheels.
7	Approximately 1240' 4" internal gasket wheel line with 76" wheels.
8	Approximately 690' 4" half internal gasket half o ring wheel line with 52" wheels.
9	Approximately 1260' 4" spike wheel line with 64" wheels.
10	Approximately 1260' 4" spike wheel line with 64" wheels.
11	Approximately 1300' 4" internal gasket wheel line with 76" wheels.
12	Approximately 1800' 5" internal gasket wheel line with 64" wheels.
13	Approximately 1860' 5" O ring wheel line with 76" wheels.
14	Approximately 1840' 5" internal gasket wheel line with 76" wheels.
15	Approximately 1440' 5" 3/4 internal gasket 1/4 O ring wheel line with 64" wheels.
16	Approximately 1740' 5" O ring wheel line with 52" wheels.

Irrigation and Well Pumps

2 - 50 hp Cornell Centrifugal Pressure Pumps with panels
2 - 75 hp Cornell Centrifugal Pressure Pumps with panels
Well #3 1- 75 hp lift pump with panel
Well #4 1 - 75 hp lift pump with panel
Well #5 1 - 125 hp lift pump with panel

Main Line

<u>Size</u>	
12 inch	Approximately 3250' of 12" x 30' ring lock.
10 inch	Approximately 4028' of 10" x 30' or 10"x 50' ring lock.
8 inch	Approximately 2350' of 8" x 30' or 8"x 50' ring lock.
6 inch	Approximately 4355' of 6" x 30' or 6"x 50' ring lock.

Exhibit C

Certain Water Rights

		Amount	Primary	Supplemental	Priority	Application	Permit	Certificate	Permittee
Section	Source	(CFS)	Acres	Acres	Date	Number	Number	Number	Name
Tract I. - Home Place									
T. 40S., R 11E., Sec 2									
Tax Lot	100		196.98						Klamath Irrigation District
	100		8.80						Klamath Basin Improvement District
	100		61.63						Warren Act
	100		42.60						Klamath Irrigation District
T. 40S., R 11E., Sec 3									
Tax Lot	102		13.38						Klamath Irrigation District
	102		2.38						Klamath Irrigation District
SubTotal - Tract I			325.77						
2			14.50			Decree 05-94		2287	Eliza Pfannstiehl
2	well	0.01		12.70	06/04/2003	G-16030	G-16209		Klamath Basin Improvement District
Total Acres			325.77						