

AFTER RECORDING ~~RETURN TO:~~
Mortgage Equities Inc.
PO Box 407
Gig Harbor, WA 98335

After Recording Return To:
Advantage Title Company, LLC
2037 Liberty Road
Eldersburg MD 21784
AT - 108993

LINE OF CREDIT INSTRUMENT

Maximum principal amount to be advanced: \$210,000; however, such maximum principal amount may be exceeded by principal advances made pursuant to ORS 86.155.

Maturity date: June 30, 2026, exclusive of options to renew or extend, if any.

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

Dated May 16, 2024

Grantor: Andrew Moratto

Trustee: Advantage Title Company, LLC

Beneficiaries: William and April Kristian, as joint tenants with right of survivorship,
James and Jeane Kristian, as joint tenants with right of survivorship,
Catherine Bradley and John Allision, as joint tenants with right of survivorship, Justin Gazabat, and Kara Girard

ADDITIONAL STATUTORY NOTICES:

- (a) The address of the entity holding a lien or other interest created by this instrument is:
- c/o Mortgage Equities Inc.
301 Judson St., #201
Gig Harbor, Washington 98335
- (b) The tax account numbers for the property subject to the lien or in which the interest is created are 041-526960, 001-411744, and 001-481357.
- (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 COMMERCIAL DEED OF TRUST AND SECURITY AGREEMENT WITHASSIGNMENT OF RENTS ("Deed of Trust") is made and executed as of May ____, 2024 by Andrew Moratto, an unmarried man, whose address is 89 Thompson Lane, Petaluma, California 97952 ("Grantor" or "Borrower"), AmeriTitle LLC, whose address is 9465 W Emerald St., Suite 120, Boise, Idaho ("Trustee"), in trust for William and April Kristian, as joint tenants with right of survivorship (19.0476%), James and Jeane Kristian, as joint tenants with right of survivorship (23.8095%), Catherine Bradley and John Allision, as joint tenants with right of survivorship (28.5714%), Justin Gazabat (11.9048%), and Kara Girard (16.6667%), whose mailing address is c/o Mortgage Equities Inc., 301 Judson St., # 201, Gig Harbor, WA 98335 (collectively, "Lender" or "Grantee" or "Beneficiary").

Grantor agrees that as used herein, the term "Loan Documents" means the Two Hundred Ten Thousand Dollars (\$210,000.00) Promissory Note executed by Borrower in favor of Beneficiary of even date herewith (the "Note"), this Deed of Trust and the Loan Application and Agreement dated May 6, 2024 and any and all modifications, extensions, renewals and replacements thereof ("Loan Documents"). The indebtedness secured by this Deed of Trust may be indexed, adjusted, consolidated, renewed or renegotiated. Grantor agrees as follows:

1. **CONVEYANCE**. Grantor hereby irrevocably grants, bargains, sells and conveys to Trustee, in trust, with power of sale, all of Grantor's right, title and interest in the real property legally described on Exhibit A attached hereto (collectively, the "Property"), whether now owned or later acquired by Grantor, together with all buildings, structures, improvements, equipment, fixtures and articles of property, now or later attached to, or used or adapted for use in the ownership, operation or maintenance of, the Property; all tenements, hereditaments and appurtenances, now or later in any way appertaining to the Property; and all leasehold interests, rents, payments, issues and profits derived from or in any way connected with the Property including all insurance and condemnation 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.

2. **ASSIGNMENT OF RENTS**.

(a) **Assignment**. Grantor further assigns to Lender all of Grantor's interest in all existing and future leases, licenses and other agreements for the use or occupancy of the Property ("Contracts"), including the immediate and continuing right to collect, in either Grantor's or Lender's name, all rents, receipts, income, accounts and other payments due or to become due under the Contracts ("Payments"). As long as there is no default under the Agreement or this Deed

of Trust, Grantor is granted a license to collect the Payments, but such license shall not constitute Lender's consent to Grantor's use of the Payments in any bankruptcy proceeding.

(b) Disclaimer. Nothing contained in this Deed of Trust shall be construed as obligating Lender or any receiver to take any action to enforce any provision of the Contracts, expend any money, incur any expense or perform any obligation under the Contracts. Lender's duties are expressly limited to giving of proper credit for all Payments received by it.

(c) Performance and Termination of License. Upon the conveyance to Lender or its successors and assigns of the fee title of the Property, all right, title, interest and powers granted under the license aforesaid shall automatically pass to and may be exercised by each such subsequent owner; and upon or at any time after default in the payment of any indebtedness secured hereby or in the observance or performance of any obligation, term, covenant, condition or warranty herein, in the Note and Deed of Trust or in the Contracts, Lender, at its option and without notice, shall have the complete right, power and authority hereunder to exercise and enforce any or all of the following rights and remedies at any time:

(i) to terminate the license granted to Borrower to collect the rents without taking possession, and to demand, collect, receive, sue for, attach and levy against the rents in Lender's own name; to give proper receipts, releases and acquittances therefor; and after deducting all necessary and proper costs and expenses of operation and collection as determined by Lender, including reasonable attorneys' fees, to apply the net proceeds thereof, together with any funds of Borrower deposited with Lender, upon any indebtedness secured hereby and in such order as Assignee may determine;

(ii) to declare all sums secured hereby immediately due and payable and, at its option, exercise all or any of the rights and remedies contained in the Note and Deed of Trust;

(iii) without regard to the adequacy of the security or the solvency of Borrower, with or without any action or proceeding through any person or by agent, or by the Trustee under any Deed of Trust secured hereby, or by a receiver to be appointed by a court, and without regard to Borrower's possession, to enter upon, take possession of, manage and operate the Property or any part thereof; make, modify, enforce, cancel or accept surrender of any Contracts now or hereafter in effect on said Property or any part thereof; remove and evict any lessee; increase or decrease rents; decorate, clean and repair; and otherwise do any act or incur any costs or expenses as Lender shall deem proper to protect the security hereof, as fully and to the same extent as Borrower could do if in possession; and in such event, to apply the rents so collected in such order as Lender shall deem proper to the operation and management of said Property, including the payment of reasonable management, brokerage and attorneys' fees, payment of the indebtedness under the Note and Deed of Trust, and payment to a reserve fund for replacements, which fund shall not bear interest; and

(iv) to require Borrower to transfer all security deposits to such subsequent owner, together with all records evidencing such deposits.

Provided, however, that the acceptance by Lender of this Assignment, with all of the rights, powers, privileges and authority so created, shall not, prior to entry upon and taking possession of

said Property by Lender, be deemed or construed to constitute Lender a "Mortgagee in Possession", nor thereafter or at any time or in any event obligate Lender to appear in or defend any action or proceeding relating to the Contracts or to the Property, or to take any action hereunder, or to expend any money or incur any expenses or perform or discharge any obligation, duty or liability under the Contracts, or to assume any obligation or responsibility for any security deposits or other deposits delivered to Borrower by any lessee thereunder and not assigned and delivered to Lender; nor shall Lender be liable in any way for any injury or damage to person or property sustained by any person or persons, firm or corporation in or about the Property; and

Provided further, that the collection of the rents and application as aforesaid and/or the entry upon and taking possession of the Property shall not cure or waive any default; or waive, modify or affect any notice of default required under the Note and Deed of Trust; or invalidate any act done pursuant to such notice. The enforcement of any right or remedy by Lender, once exercised, shall continue until Lender shall have collected and applied such rents as may have cured (for the time) the original default. Although the original default be cured and the exercise of any such right or remedy be discontinued, the same or any other right or remedy hereunder shall not be exhausted and may be reasserted at the time and from time to time following any subsequent default. The rights and powers conferred on Lender hereunder are cumulative of and not in lieu of any other rights and powers otherwise granted Lender.

3. **SECURED OBLIGATIONS; CROSS COLLATERALIZATION.** The obligations secured by this Deed of Trust ("Obligations") are: (i) payment and performance of all covenants, conditions, liabilities and obligations of Grantor contained in the Loan Documents, with the exception of the payment guaranty and the indemnity agreement each executed as of even date herewith in support of the Loan, both of which comprise unsecured obligations; (ii) all expenses and charges, including attorneys' fees, incurred by Beneficiary in collecting or enforcing any of the Obligations secured hereby; and (iii) all other indebtedness, obligations and liabilities of Grantor to Beneficiary of every kind and description owing or which may become owing by Grantor to Beneficiary (Beneficiary includes other lenders unrelating to this Loan as long as Mortgage Equities Inc. is the mortgage servicer or agent of the other lenders), howsoever evidenced, now or hereafter existing in favor of Beneficiary, whether direct or indirect, primary or secondary, joint or several, fixed or contingent, secured or unsecured, whether related or unrelated to the purpose of the Note, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable; provided, however, that this Deed of Trust shall not secure the payment guaranty, the indemnity agreement or any Loan Document or any particular person's liabilities or obligations under any Loan Document that expressly states that it or such particular person's liabilities or obligations are unsecured. Nothing contained in this Deed of Trust shall be construed as obligating Lender to make any future advance to Grantor. This Deed of Trust shall also secure all extensions, amendments, modifications or alterations of the Secured Obligations, including but not limited to increases or decrease in the term, amount and interest rate of the Note.

4. **AFFIRMATIVE COVENANTS.** Grantor shall:

(a) **Maintenance of Property and Title.** Maintain and preserve the Property in good condition and repair, and not commit or permit any waste thereof; complete any improvement

which may be constructed on the Property; promptly restore any improvement which may be damaged or destroyed; and maintain the Property free and clear of all liens and encumbrances other than the encumbrance of this Deed of Trust and any lien for taxes or assessments not delinquent. Failure to maintain and preserve the Property in good condition and repair shall constitute "waste" by Grantor.

(b) Compliance with Laws. Comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Property.

(c) Obligations under Loan Documents. Perform all obligations to be performed by Grantor under the Loan Documents.

(d) Payment of Debts and Taxes/Insurance. Pay before due all obligations secured by the Property; all taxes, assessments and governmental liens or charges levied against the Property; and all claims for labor, materials, supplies or otherwise which, if unpaid, might become a lien or charge upon the Property. If Grantor fails to pay when due any obligations related to the property such as taxes, insurance or liens or other charges against the Property, Lender may pay the same, and the amount so paid with default interest at the interest rate set forth in the Note secured hereby shall be added to and become a part of the debt secured by this Deed of Trust.

(e) Insurance.

(i) Casualty. Insure continuously with premiums prepaid, with financially sound and reputable insurers acceptable to Lender, all improvements on the Property against all risks, casualties and losses through standard fire and extended coverage insurance or otherwise, including, without limitation, insurance against fire, theft, casualty, vandalism, loss of rents, business interruption and, if required by Lender, earthquake; and any other risk Lender may reasonably request. The insurance policies shall be in an aggregate amount of not less than the full replacement cost of all improvements on the Property, including the cost of demolition and removal of debris.

(ii) Flood. Obtain flood insurance if the Property is located in a designated flood hazard area (as determined by Lender, with such determination to be made at Grantor's expense) and where federally subsidized flood insurance is available.

(iii) Liability. Maintain comprehensive general public liability insurance insuring against liability from risks associated with the use, ownership and operation of the Property in an amount deemed sufficient by Lender.

(iv) Title. Provide to Lender an A.L.T.A. form of lender's extended coverage title insurance for the full amount of Lender's commitment under the Agreement insuring the first lien priority of this Deed of Trust. Such policy shall be issued by a title company acceptable to Lender. The policy shall contain such endorsements as Lender may reasonably request.

(v) Loss Payee. All of the above noted policies (i) through (iii) shall name Lender as loss payee under a Lender loss payable endorsement in form satisfactory to Lender. All policies shall provide that they cannot be cancelled with less than thirty (30) days' prior written notice to Lender and Lender's opportunity to cure. All deductibles shall be in amounts acceptable

to Lender. The amounts collected under the insurance policies shall be paid directly to Lender and may be applied against the Secured Obligations in any manner that Lender determines, and such application shall not cause discontinuance of any proceedings to foreclose upon this Deed of Trust. In the event of foreclosure, all of Grantor's rights in the insurance policies shall pass to purchaser at the foreclosure sale. Grantor shall provide evidence that such evidence is in place from time to time as reasonably requested by Lender.

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 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.

(f) Hazardous Waste. Notify Lender within twenty four (24) hours of any release of a reportable quantity of any Hazardous Substance, or of the receipt by Grantor of any notice, order or communication from any governmental authority which relates to the existence or potential for environmental pollution of any kind existing on the Property, or results from the use of the Property or any surrounding property. Grantor shall indemnify, defend and hold Lender and its successors and assigns harmless from and against any and all claims, demands, penalties, fees, liens, damages, losses, expenses, and liabilities arising out of or in any way connected with any alleged or actual past or future presence on or under the Property of any Hazardous Substance from any cause whatsoever; it being intended that Grantor shall be strictly and absolutely liable to Lender without regard to any fault by Grantor; provided that this indemnification shall not apply to any Hazardous Substances which originated on or under the Property after the date Lender or any third party acquires fee title to the Property by foreclosure or deed in lieu of foreclosure. "Hazardous

Substances” shall mean any substance or material which may be hazardous to the health or safety of any person; including without limitation any substance or material which is now or hereafter becomes regulated under any federal, state, or local statute, ordinance, rule, regulation or other law relating to environmental protection, contamination or cleanup.

(g) Site Visits, Observation and Testing. Permit Lender and its agents and representatives, at any reasonable time, to enter and visit the Property for the purpose of performing appraisals and/or inspecting the Property, taking and removing soil, groundwater and other samples, and conducting tests on any part of the Property. Grantor agrees that Lender neither has nor undertakes any duty or obligation to examine or inspect the Property, and that any inspection by Lender is solely for the purpose of protecting its security and its rights under this Deed of Trust. If Lender believes it has an obligation to disclose any report or findings made as a result of its inspection of the Property, then Lender may make such disclosure.

(h) Costs and Expenses. Pay, reimburse and indemnify Lender for all of Lender’s reasonable costs and expenses incurred in connection with the enforcement of Lender’s rights and Grantor’s obligations under this Deed of Trust, foreclosing upon this Deed of Trust, defending any action or proceeding purporting to affect the rights or duties of Lender or Trustee under this Deed of Trust, or managing the Property and collecting the Payments, including, without limitation, all reasonable attorneys’ fees, legal expenses, collection costs, costs of title search, and trustee’s and receiver’s fees. In addition to the foregoing, pay to Lender interest at the default interest rate set forth in the Note on all the aforementioned costs and expenses that were actually paid by Lender, such interest to run from the date of each such expenditure.

5. **NEGATIVE COVENANTS.** Grantor shall not, without Lender’s prior written consent:

(a) Payments. Accept or collect any rent or other Payments more than one month in advance of the due date;

(b) Contracts. Terminate, modify or amend any provision of the Contracts or enter into a Contract with a term, including options or renewal rights, of more than one (1) year and/or containing an option to purchase, nor enter into any renewals of any Contracts. The term “Contracts” as used in this paragraph includes but is not limited to leases;

(c) Use. Change the present use or intended use of the Property, or scope of the development or improvements of the Property, or permit or consent to any restriction that would prevent or otherwise impair the use or development of the Property, or permit thereon the generation, processing, storage or disposal of any Hazardous Substance; or

(d) Restrictions on Conveyances. Cause, permit or allow voluntary or involuntary encumbrance or sale of the Property or of any interest in the Property or change in ownership of Grantor without the prior written consent of Beneficiary. Any violation of this paragraph shall be deemed a default under the Note and make the same due and payable immediately without notice.

6. **EMINENT DOMAIN.** In the event any portion of the Property is taken through eminent domain, the amount of the award to which Grantor is entitled shall be applied to the Secured Obligations.

7. **PROTECTION OF LENDER'S INTEREST.** If Grantor shall fail to pay any amounts which may become a lien on the Property, pursuant to Section 4.(d), or fail to maintain adequate insurance on the Property, as required by Section 4.(e), Lender may at its sole option pay such obligations and/or obtain such insurance.

8. **ADDITIONS TO SECURED OBLIGATIONS.** Any payments required under Sections 4.(d), 4.(e), 4.(f), 4.(g) or 4.(h), but not made when demanded, shall immediately be deemed added to the Secured Obligations, and shall accrue interest at the highest rate of interest accruing from time to time under the Secured Obligations.

9. **PARTIAL RECONVEYANCE PROVISION.** NA.

10. **RECONVEYANCE.** Trustee shall reconvey such portion of the Property to the person entitled thereto upon written request of Lender, or upon satisfaction of the Secured Obligations and written request for reconveyance made by Lender or any person interested in the Property. Grantor shall pay Lender the actual costs, plus a reasonable handling fee, for any request for reconveyance and the processing thereof.

11. **SUCCESSOR TRUSTEE.** In the event of death, incapacity, disability, dissolution, resignation or refusal to act by the Trustee, Lender may appoint a successor trustee and, upon the recording of such appointment in the records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original Trustee.

12. **EVENTS OF DEFAULT.** The occurrence of any of the following events shall, at Lender's option, and at any time without regard to any previous knowledge on Lender's part, constitute a default under the terms of this Deed of Trust, the Agreement, the Secured Obligations, and all related loan documents:

(a) **Non-payment of Principal or Interest.** Any payment of principal or interest on the Secured Obligations is not made when due; or

(b) **Failure to Perform.** Any tax, assessment, insurance premium, lien, encumbrance or other charge against the Property is not paid when due; or any other term, covenant or agreement of Grantor contained in this Deed of Trust, the Agreement, or in any other document with Lender, or in which Grantor grants a security interest in the Property, is not promptly performed or satisfied.; or

(c) **Other Defaults.** Any breach or failure to perform by Grantor of the covenants, agreements and conditions in the Loan Documents.

13. **REMEDIES UPON DEFAULT.** If any default occurs and subject to any applicable notice and cure period provided for in the applicable Loan Document, Lender or Trustee, as applicable, may, at its option:

(a) **Accelerate.** Declare, by written notice given to Grantor, any or all of the Secured Obligations, together with all accrued interest, to be immediately due and payable without presentment, demand, or of any kind, all of which are expressly waived by Grantor;

(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.

(iii) 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) Payments. Pay such sums as may be necessary to obtain a current appraisal, to inspect and test the Property, and to pay any tax, assessment, insurance premium, lien, encumbrance or other charge against the Property, all without prejudice to Lender's right to accelerate the Secured Obligations and foreclose upon this Deed of Trust. Grantor shall reimburse Lender upon demand, for all such amounts paid by Lender, with interest thereon from the date of such payment at the highest rate that is, from time to time, applicable on any of the Secured Obligations, i.e., default interest rate in the Note. All unreimbursed amounts shall be added to and become a part of the Secured Obligations and shall bear interest at the default interest rate in the Note;

(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:

(iv) 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;

(v) 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

(vi) 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) Deficiency Judgment. Seek and obtain a deficiency judgment following the completion of a judicial foreclosure of all or a portion of the security for the obligations secured by this Deed of Trust;

(g) 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 paragraph only, that if such notice is mailed, postage prepaid, to the Grantor at the above address at least five (5) 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; and

(h) Other Remedies. Pursue all other available legal and equitable remedies, including, without limitation, foreclosing upon this Deed of Trust as a mortgage. These remedies are cumulative and not exclusive.

14. **FIXTURE FILING**. This Deed of Trust also constitutes a fixture filing financing statement pursuant to the Uniform Commercial Code of the State of Oregon. Grantor is the Debtor, Lender is the Secured Party, and their respective addresses for the purpose of this fixture filing and the giving of any notice under or in connection with this Deed of Trust is as first stated above. The mailing address of Lender is as shown at the top of this Deed of Trust. This fixture financing statement covers items of property, which are or are to become fixtures with respect to the real property described herein.

15. **UNIFORM COMMERCIAL CODE SECURITY AGREEMENT**. This Deed of Trust also constitutes a security agreement pursuant to the Uniform Commercial Code of the State of

Oregon. With respect to this security interest, Lender shall have all of the rights and remedies of a secured party under the Uniform Commercial Code. Lender is granted the right on behalf of Grantor to execute any Financing Statement and file the same in the office where such instrument is required to be filed.

16. **SAVINGS CLAUSE**. Notwithstanding anything to the contrary set forth herein or in any other Loan Document, this Deed of Trust shall not secure the obligations of Grantor or other obligor under that certain Hazardous Substance Indemnity dated as of even date. All of such obligations (and the substantial equivalents thereof) shall constitute the separate, unsecured full recourse obligations of Grantor or other obligor and shall not be deemed to be evidenced by the Note or secured by this Deed of Trust.

17. **WAIVER**. No waiver by Lender of any deviation by Grantor from full performance of this Deed of Trust or the Secured Obligations, as the case may be, shall constitute a waiver of Lender's right to require prompt payment or to assert any other right or remedy provided for in this Deed of Trust or the Secured Obligations on the basis of the same or similar failure to perform.

18. **MODIFICATION**. This Deed of Trust cannot be waived, changed or modified in any manner except by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought.

19. **NOTICE**. Any notice to Grantor under this Deed of Trust shall be to the address noted in this instrument or such other address as may be designated by Grantor in writing, and shall be deemed to have been given on the date delivered in case of personal delivery, or, if mailed three (3) days after the postmark thereof.

20. **STATUTE OF LIMITATIONS**. To the full extent Grantor may do so, Grantor hereby waives the right to assert any statute of limitations as a defense to the enforcement of the lien of this Deed of Trust or to any action brought to enforce the Note or any other obligation secured by this Deed of Trust.

21. **CAPTIONS; NUMBER; GENDER**. The captions and headings of the paragraphs and sections of this Deed of Trust are for convenience only and are not used to interpret or define the provisions hereof. This Deed of Trust shall be construed so that wherever applicable the use of the singular number shall include the plural number, and vice versa and the use of any gender shall be applicable to all genders.

22. **TIME**. Time is of the essence in connection with the obligations of Grantor herein.

23. **SUCCESSORS/APPLICABLE LAW/MISC**. This Deed of Trust shall be binding upon Grantor and Grantor's successors and assigns. If there is more than one Grantor, then the obligations of each Grantor shall be joint and several. The enforcement of this Deed of Trust and Lender's rights hereunder shall be governed by and construed in accordance with the laws of the State of Oregon. The individual executing this instrument warrants and represents that he was authorized to do so by Grantor and that by executing and delivering the same Grantor is bound hereby. In the event of foreclosure, if Grantor remains in possession after foreclosure, Grantor's tenancy shall be a mere tenant at sufferance tenancy.

24. **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.



Andrew Moratto

STATE OF Oregon)
County of Klamath)

ss.

This instrument was acknowledged before me this 16 day of MAY, 2024,
by Andrew Moratto.



Marla A
NOTARY PUBLIC FOR State of Oregon
My Commission Expires: 2/26/2027

EXHIBIT A

Legal Description

Parcel I (Also known as 3112 Cannon Avenue, Klamath Falls, OR 97603 - Tax ID - 041-526960)

The East one-half of Lot 9 in Block 2 of FIRST ADDITION to ALTAMONT ACRES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Parcel II (Also known as 429 North 7th Street, Klamath Falls, OR 97603 - Tax ID - 001-411744)

The Northwesterly one-half of Lot 5, Block 53, Nichols Addition to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon, more particularly described as follows:

Beginning at the most Northerly corner of Lot 5 in Block 53 of Nichols Addition to the City of Klamath Falls, Oregon; thence 60 feet in a Southeasterly direction along a line parallel with Seventh Street; thence 65 feet in a Southwesterly direction along a line parallel with Jefferson Street; thence 60 feet in a Northwesterly direction along Seventh Street; thence 65 feet in a Northeasterly direction along Jefferson Street to the Place of Beginning.

Parcel III (Also known as 624 Mitchell Street, Klamath Falls, OR 97603 - Tax ID - 001-481357)

The Northerly 45 feet of Lots 372 and 373, Block 122, Mills Addition to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.