

AFTER RECORDING RETURN TO:

TMI Lending, LLC
810 Walnut St SW
Albany, OR 97321

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Escrow No: 072415971

TRUST DEED

THIS TRUST DEED, made on July 24, 2024 between, Redwood Investments, LLC, an Oregon Limited Liability Company whose address is 61555 Alstrup Road, unit A, Bend, OR 97702 as Grantor, Fidelity National Title Insurance Company, as Trustee, and David Haffner, whose address is 34429 NE Yih Lane, Albany, OR 97322 as Beneficiary;

WITNESSETH: Grantor irrevocably grants, bargains, sells and conveys to Trustee in trust, with power of sale, the subject property in Klamath County, Oregon described further in attached Exhibit "A" which by this reference is made a part thereof the loan documents. Together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter appertaining and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection with said real estate.

For the purpose of securing performance of each agreement of Grantor herein contained and payment of the sum of NINETY ONE THOUSAND FIVE HUNDRED AND NO/100ths U.S. DOLLARS (\$91,500.00), with interest thereon according to the terms of a Promissory Note executed on or about the date hereof, payable to Beneficiary or order and made by Grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable August 1, 2025. The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said Note becomes due and payable. In the event the within-described properties, or any parts thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the Grantor without first having obtained the written consent or approval of the Beneficiary, then, at the Beneficiary's option, all obligation secured by this instrument, irrespective of the maturity dates expressed therein, or herein, shall become immediately due and payable.

To protect the security of this Trust Deed, Grantor agrees:

1. To protect, preserve and maintain the property in good condition and repair; not to remove or demolish any building or improvement; and not to commit or permit any waste of the property.
2. To complete or restore promptly and in good and workmanlike manner any building or improvement which now exists or may be constructed, and which is damaged or destroyed thereon, and pay when due all costs incurred.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property; if the Beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the Beneficiary may require, and to pay for filing the same in the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the Beneficiary.
4. To provide and continuously maintain insurance on the buildings now or hereafter erected on the property against loss or damage by fire and other hazards as the Beneficiary may from time to time require, in an amount not less than the full insurable replacement value of said improvements, written by companies acceptable to the Beneficiary, with loss payable to the Beneficiary. Grantor shall also maintain public liability and property damage Insurance with limits not less than \$150,000.00 for injury to one person and \$250,000.00 to two or more persons in one occurrence, and in no case less than \$50,000.00 for damage to property. All policies of Insurance shall be delivered to the Beneficiary as soon as issued. If the Grantor shall fail for any reason to procure any such insurance and to deliver the policies to the Beneficiary at least Fifteen (15) days prior to the expiration of any policy of Insurance now or hereafter placed on the buildings, the Beneficiary may procure the same at Grantor's expense. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected, or any part thereof, may be released to Grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. Such insurance shall cover all risks arising directly or indirectly out of Grantor's activities on or any condition of the property, whether or not related to an occurrence caused or contributed to by Beneficiary's alleged negligence; and shall protect Beneficiary and Grantor against claims of third persons. Such policies shall be written in such form, with such other terms and by such insurance companies reasonably acceptable to Beneficiary. Grantor shall deliver to Beneficiary certificates of coverage from each insurer containing a stipulation that coverage will not be canceled or diminished without a minimum of thirty (30) days written notice to Beneficiary.
5. To keep the property free from construction liens and to pay all taxes, assessments and other charges levied or assessed upon or against the property before any part of such taxes, assessment and other charges become past due or delinquent and promptly deliver receipts to Beneficiary. Should the Grantor fail to make payment of any taxes, assessments insurance premiums, liens or other charges payable by Grantor, either by direct payment or by providing Beneficiary with funds with which to make such payment, Beneficiary may, at its option, make payment, and the amount so paid, with interest at the rate set forth in the Note secured hereby, together with the obligations described in paragraphs 6 and 7 of this Trust Deed, shall be added to and become a part of the debt secured by this Trust Deed. Such payment by Beneficiary shall not act as a waiver of any rights arising from any breach. For such payments, and interest thereon, the property described, as well as the Grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described. All such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the Beneficiary, render all sums secured by this Trust Deed immediately due and payable and constitute a breach of this Trust Deed.

6. To pay all costs, fees and expenses of this Trust Deed including the cost of title search as well as the other costs and expenses of the Trustee incurred in connection with or in enforcing this obligation and Trustee's fees and attorney's fees actually incurred.
7. To appear in and defend any action or proceeding purporting to affect the security rights or powers of Beneficiary or Trustee; and in any suit, action or proceeding in which the Beneficiary or Trustee may appear, including any suit for the foreclosure of this Trust Deed or any suit or action related to this instrument, including but not limited to its validity and/or enforceability, to pay all costs and expenses, including evidence of title and the Beneficiary's or Trustee's attorney fees. The amount of attorney's fees mentioned in this paragraph in all cases shall be fixed by the trial court, and in the event of any appeal from any judgment or decree of the trial court, Grantor further agrees to pay such sum as the appellate court shall adjudge reasonable as the Beneficiary's or Trustee's attorney fees on such appeal.
8. It is mutually agreed that:
In the event that any portion or all of the property shall be taken under the right of eminent domain or condemnation, Beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable as compensation for such taking which are in excess of the amount required to pay all reasonable costs, expenses and attorney fees necessarily paid by Grantor in such proceedings, shall be paid to Beneficiary and applied by it first upon any reasonable costs and expenses and attorney fees, both in the trial and appellate courts, necessarily paid or incurred by Beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby. Grantor agrees, at its own expense, to take such actions and execute such instruments shall be necessary in obtaining such compensation, promptly upon Beneficiary's request.
9. At any time, and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Trust Deed and the Note for endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, Trustee may (a) consent to the making of any map or plat of the property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Trust Deed or the lien or charge thereof; or (d) reconvey, without warranty, all or any part of the property. The Grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals of any matters or facts shall be conclusive proof of their truthfulness thereof.
10. Upon any default by Grantor hereunder, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness secured hereby, enter upon and take possession of the property or any part thereof, in its own name sue or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney fees upon any indebtedness secured hereby, and in such order as Beneficiary may determine.

11. The entering upon and taking possession of the property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder, or invalidate any act done pursuant to such notice.
12. Upon default by Grantor in payment of any indebtedness secured hereby or in Grantor's performance of any agreement hereunder, time being of the essence with respect to such payment and/or performance, the Beneficiary may declare all sums secured hereby immediately due and payable. In such event, the Beneficiary may elect to proceed to foreclose this Trust Deed in equity as a mortgage or direct the Trustee to foreclose this Trust Deed by advertisement and sale, or may direct the Trustee to pursue any other right or remedy, either at law or in equity, which the Beneficiary may have. In the event the Beneficiary elects to foreclose by advertisement and sale, the Beneficiary or the Trustee shall execute and cause to be recorded a written notice of default and election to sell the property to satisfy the obligation secured hereby whereupon the Trustee shall fix the time and place of sale, give notice as then required by law and proceed to foreclose this Trust Deed in the manner provided by law.
13. After the Trustee has commenced foreclosure by advertisement and sale, and at any time prior the time provided by law before the date the Trustee conducts the sale, the Grantor or any other person so privileged by law, may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the Trust Deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or Trust Deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the Beneficiary all costs and expenses actually incurred in enforcing the obligation of the Trust Deed together with Trustee's and attorney fees not exceeding the amounts provided by law.
14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which the sale may be postponed as provided by law. The Trustee may sell the property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. The Beneficiary shall be entitled to credit bid the amounts due hereunder in lieu of paying cash at the sale. The Trustee shall deliver to the purchaser a Trustee's deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recital in the deed of any matters of fact shall be conclusive proof of their truthfulness. Any person, excluding the Trustee, but including the Grantor and Beneficiary may purchase at the sale.
15. When Trustee sells pursuant to the powers provided herein, Trustee shall apply the proceeds of sale to payment of: (1) the expenses of sale, including the compensation of the Trustee and a reasonable charge by Trustee's attorney; (2) to the obligation secured by the Trust Deed; (3) to all persons having recorded liens subsequent to the interest of the Trustee in the Trust Deed as their

interests may appear in the order of their priority; and (4) the surplus, if any, to the Grantor or to any successor in interest entitled to such surplus.

16. Beneficiary may, from time to time, appoint a successor or successors to any Trustee named herein or to any successor Trustee appointed hereunder. Upon such appointment, and without conveyance to the successor Trustee, the latter shall be vested with all title, powers and duties conferred upon any Trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by Beneficiary, which, when recorded in the records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor Trustee.
17. Trustee accepts this trust when this deed, duly executed and acknowledged, is made a public record as provided by law. 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 such action or proceeding is brought by Trustee.

The Grantor covenants to and agrees with the Beneficiary and the Beneficiary's successor in interest that the Grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto, except as may be set forth in any exhibit attached hereto, and that the Grantor will warrant and forever defend the same against all persons whomsoever.

WARNING: Unless Grantor provides Beneficiary with evidence of the insurance coverage as required by the contract or loan agreement between them, Beneficiary may purchase insurance at Grantor's expense to protect Beneficiary's interest. This insurance may, but need not, also protect Grantor's interest. If the collateral becomes damaged, the coverage purchased by Beneficiary may not pay any claim made by or against Grantor. Grantor may later cancel this coverage by providing evidence that Grantor has obtained property coverage elsewhere. Grantor is responsible for the cost of any insurance purchased by Beneficiary, which cost may be added to Grantor's contract or loan balance. If it is so added, the interest rate on the underlying contract or loan will apply to it. The effective date of coverage may be the date Grantor's prior coverage lapsed or the date Grantor failed to provide proof of coverage. The coverage Beneficiary purchases may be considerably more expensive than insurance Grantor might otherwise obtain on its own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

The Grantor warrants that the proceeds of the loan represented by the above described Note and this Trust Deed are for business or commercial purposes and not for personal, consumer, residential or household purposes.

This Trust Deed applies to, inures to the benefit of, and binds all parties, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term Beneficiary shall mean the holder and owner, including pledges, of the contract secured, whether or not named as a Beneficiary.

In construing this Trust Deed, it is understood that the Grantor or Beneficiary may be more than one person; that if the context so requires, the singular shall be taken to mean and include that plural, and that generally all grammatical changes shall be made, assumed and implied to make the provisions apply equally to corporations and to individuals.

Note:

The Trust Deed Act provides that the Trustee must be either an attorney, who is an active member of the Oregon State Bar, a bank, a trust company or savings and loan association authorized to do business under the laws of Oregon or the United States, a title insurance company authorized to insure title to real property of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under state law.

IN WITNESS WHEREOF, the Grantor has executed this instrument the day and year first written above.

GRANTOR(S):

REDWOOD INVESTMENTS, LLC



By: Gabriel Charles Williams, Member

DATE: 07/25, 2024



By: William Shepherd Della Santina, Member

DATE: 7/25, 2024

State of Oregon)

) SS:

County of Jackson)

This instrument was acknowledged before me by, Gabriel Charles Williams and William Shepherd Della Santina as Members of Redwood Investments, LLC on July 25th, 2024

Signature Notary Public for Oregon: Carol Dawn Milazzo

My Commission expires: June 17, 2028

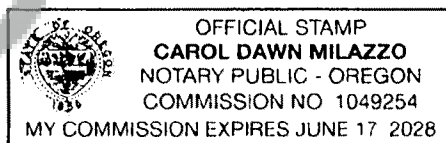


Exhibit "A"

Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF KLAMATH, STATE OF OREGON, AND IS DESCRIBED AS FOLLOWS:

Lot 7B, 8A, and 8B, Block 4, Railroad 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.

Parcel ID: 414894

Commonly known as 300 South Broad Avenue, Klamath Falls, OR 97601

However, showing this address no additional coverage is provided