

2024-010159

Klamath County, Oregon

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Fee: \$127.00

DEED OF TRUST

Document: Trust Deed
Grantor: Bradley F. Reid and Heidi A. Reid, as Trustees of the Reid Living Trust dated November 11, 2020, whose address is 60489 Umatilla Circle, Bend, Oregon 97702
Beneficiary: Dennis Hoeper and Karen Hoeper, or their successors, as Trustees of the Dennis and Karen Hoeper Joint Trust dated December 4, 2015, whose address is 21222 Garcia Road, Bend, Oregon 97701
Trustee: Western Title & Escrow Company

After recording, please return to:

Mike Petersen
644 NW Broadway Street
Bend, OR 97702

DEED OF TRUST

This Deed of Trust is made as of November 20, 2024 (the “*Trust Deed*”), between Bradley F. Reid and Heidi A. Reid, as Trustees of the Reid Living Trust dated November 11, 2020, as “*Grantor*”, Western Title & Escrow Company, 1777 SW Chandler Ave., Ste 100, Bend, OR 97702, as “*Trustee*”, and Dennis Hoeper and Karen Hoeper, or their successors, as Trustees of the Dennis and Karen Hoeper Joint Trust dated December 4, 2015, as “*Beneficiary*”.

Grantor hereby irrevocably grants, bargains, sells and conveys to Trustee in trust, with power of sale, the property in **Klamath County**, Oregon, described as shown in Exhibit A, attached hereto and by this reference made a part hereof (the “*property*”), together with any and all mineral rights, oil and gas rights, air rights, water rights, water service contract rights, drainage rights, zoning rights, and other similar rights or interests that benefit or are appurtenant to the property or the improvements thereon or both, and any of their proceeds, and all tenements, hereditaments, and appurtenances in any manner belonging, relating, or appertaining to the property and the rents, issues and profits thereof and all fixtures now or hereafter attached to or hereafter used in connection with the property.

This Trust Deed secures amounts which have been or will be advanced by Beneficiary to Grantor, repayment of which will be made under a promissory note in the principal amount of

Three Hundred Seventy-Five Thousand Dollars (\$375,000), which if not paid sooner, is due an payable in full on November 1, 2030 (the "**Note**"). This Trust Deed shall remain in effect until all indebtedness evidenced by the Note is paid in full. In the event either the property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the Grantor, or the Grantor executes a Trust Deed or mortgage regarding the property, without having obtained the prior written consent of the Beneficiary, then at the option of the Beneficiary, all obligations secured by the Trust Deed, irrespective of the maturity date expressed herein, shall become immediately due and payable.

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

- (1) To protect, preserve and maintain said property in good condition and repair and not to remove or demolish any building or improvement thereon and not to commit or permit any waste of said property;
- (2) To complete or restore promptly and in good and workmanlike manner any building or improvement which may be constructed, damaged, or destroyed thereon, and pay when due all costs incurred therefor. No building or other improvement now or hereafter comprising the Property shall be structurally altered, removed or demolished without the Beneficiary's prior written consent, nor shall any fixture or chattel covered by this Trust Deed and adapted to the proper use and enjoyment of the Property be removed at any time without Beneficiary's prior written consent, unless actually replaced by an article of equal suitability, value and legality, owned by the Grantor, free and clear of any lien or security interest except such as may be approved in writing in advance by Beneficiary;
- (3) To comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting said 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 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 said premises against loss or damage by fire and such 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 in companies acceptable to the Beneficiary, with loss payable to the beneficiary. All policies of insurance shall be delivered to the Beneficiary as soon as insured. If the Grantor shall fail for any reason to procure any such insurance and to deliver said policies to the Beneficiary at least fifteen days prior to expiration of any policy of insurance now or hereafter placed on said improvements, 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 the option of the 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. 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 days' written notice to Beneficiary;

(5) To keep said premises free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said property before any part of such taxes, assessments and other charges becomes past due or delinquent or in any manner cause interest or penalties to be charged thereon and promptly deliver receipts therefor to Beneficiary. Failure in performance of the foregoing shall constitute a default hereunder and under the Note secured hereby. 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 thereof, and the amount so paid, with interest at the rate set forth in the Note secured hereby, together with the obligations described in paragraphs six and seven of this Trust Deed, without waiver or any rights arising from breach of any of the covenants hereof and for such payments, with interest as aforesaid, the property hereinbefore 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, and 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, including, but not limited to, a foreclosure guarantee or litigation guarantee, as well as the other costs and expenses of the Trustee incurred in connection with or in enforcing this Trust Deed, including (without limitation) the Trustee's and attorney's fees actually incurred and to pay and perform any encumbrance superior in priority to this Trust Deed according to the terms of said superior encumbrance. The Beneficiary hereunder shall have the right to at its option advance funds to perform any act necessary to remedy any default with respect to a superior encumbrance, adding any funds so advanced, together with reasonable costs incurred because of any such default, to the balance due Beneficiary under the Note and Trust Deed secured hereby;

(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, to pay all costs and expenses, including evidence of title, a foreclosure guarantee or a litigation guarantee, and the Beneficiary's or Trustee's attorney's fees. The amount of attorney's fees mentioned in this paragraph seven in all cases shall be fixed by the trial court and in the event of an 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's fees on such appeal.

(8) In the event that any portion or all of said 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's fees necessarily paid or incurred by Grantor in such proceedings, shall be paid to Beneficiary and applied first upon any reasonable costs and expenses and attorney's 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 as 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 the case of 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 said 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; (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 therein of any matters or facts shall be conclusive proof of the truthfulness thereof.

(10) Grantor does hereby unconditionally and absolutely assign, transfer and set over unto Beneficiary as further security for the indebtedness and covenants secured hereby, all rentals and deposits which may be received or contracted for under any existing or future leases of the property encumbered hereby or any portion thereof, including if applicable and without limitation, rental agreements for mobile home and trailer sites, all of the Grantor's present and future interests in said existing future leases, and all of its right, interest and title in and to the plans, drawings, specifications, permits, surveys, engineering reports and land planning maps, which is now has or may hereafter acquire with regard to any improvements now or to be constructed upon the Property, and in the event of any default hereunder or under the Note this Trust Deed secures, Grantor shall deliver possession of same to the Beneficiary forthwith upon demand. In the event the default of Grantor under the Note or any loan document, and if any lessee, sublessee or assignee under any lease assigned under this paragraph files or has filed against it any petition in bankruptcy or for reorganization or undertakes or is subject to similar action, the Beneficiary shall have and is hereby assigned by the Grantor all of the rights which would otherwise inure to the benefit of Grantor in such proceeding, including, without limitation, the right to seek "adequate protection" of its interests, to compel rejection of any such lease, and to seek such claims and awards as may be sought or granted in connection with the rejection of any such lease. Unless otherwise agreed to by Beneficiary in writing, Beneficiary's exercise of any of the rights provided in this paragraph shall preclude Grantor from the pursuit and benefit thereof without any further action or proceeding of any nature. The rights granted in this paragraph shall be in addition to and not in derogation of any similar or related rights granted Beneficiary in any separate assignment of leases and rents. Beneficiary may require any tenant to make payments of its rent or fees directly to Beneficiary or Beneficiary's agent, regardless of whether Beneficiary has taken possession of the Property. If any rents are collected by Beneficiary, then Grantor irrevocably designates Beneficiary as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants to Beneficiary in response to Beneficiary's demand shall satisfy the obligation for which the payments are made, whether any proper grounds for demand existed. Beneficiary may exercise its rights under this paragraph either in person, by agent or through a receiver.

(11) Grantor shall permit Beneficiary or its agents the opportunity to inspect the Property, including the interior of any structures comprising the Property, at all reasonable and lawful times. If required by applicable law, Grantor shall provide notices to tenants timely announcing such interior inspections by Beneficiary or Beneficiary's agent. In addition, Grantor shall at its sole cost and expense provide to Beneficiary all inspection reports, studies and tests related to the Property as Beneficiary may reasonably request from time to time, all in a form and scope reasonably satisfactory to Beneficiary;

(12) Upon Beneficiary's request, Grantor shall deliver to Beneficiary, within thirty (30) days after the end of each of Grantor's fiscal years, and within twenty (20) days after Beneficiary's request in the event of any default by Grantor, reasonably detailed operating statements, and occupancy reports in form satisfactory to Beneficiary covering the Property, both certified as correct by Grantor. If Beneficiary so requests, such statements shall specify, in addition to other information requested by Beneficiary, the rents and profits received from the Property, the disbursements made for such period and the name and contact information of each tenant and a summary of the terms of its lease or rental agreement or arrangement. Grantor shall permit Beneficiary or its representative to examine all books and records pertaining to the Property and shall deliver to Beneficiary all financial statements, credit reports and other documents pertaining to the financial condition and obligations of Grantor or any tenant and all rental, income and expense statements, audits and tax returns relating to the Property;

(13) The entering upon and taking possession of said 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 thereunder or invalidate any act done pursuant to such notice;

(14) Upon default by Grantor in any manner provided in the Note described herein or in performance of any agreement hereunder, time being of the essence with respect to any payment and/or performance, the Beneficiary may declare all sums secured hereby immediately due and payable. In such an event the Beneficiary at his election may 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 his written notice of default and his election to sell the said described real property to satisfy the obligation secured hereby whereupon the Trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this Trust Deed in the manner provided in ORS 86.735 to 86.795;

(15) After the Trustee has commenced foreclosure by advertisement and sale, and at any time prior to five days before the date the Trustee conducts the sale, the Grantor or any other person so privileged by ORS 86.753, 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 the default not 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, including costs of a foreclosure guarantee or litigation guarantee, together with Trustee's and attorney's fees not exceeding the amounts provided by law. 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 said sale may be postponed as provided by law. The Trustee may sell said 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. Trustee shall deliver to the purchaser its deed in the form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the Trustee, but including the Grantor and Beneficiary, may purchase at the sale;

(16) When Trustee sells pursuant to the powers provided herein, Trustee shall apply the proceeds of sale to payment of (i) the expenses of sale, including the compensation of Trustee and a reasonable charge by Trustee's attorney, (ii) to the obligation secured by the Trust Deed, (iii) to all persons having recorded liens subsequent to the interest of the Trustee in the Trust Deed as their interest may appear in the order of their priority and (iv) the surplus, if any, to the Grantor or to his successor in interest entitled to such surplus;

(17) Beneficiary may from time to time appoint a successor or successors to any Trustee name 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 mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor Trustee;

(18) Trustee accepts this Trust Deed when this Trust 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 trust deed or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be a party unless such action or proceeding is brought by Trustee;

(19) Pursuant to ORS 79.0502, notice is hereby given that the Property includes all timber thereon and that this Trust Deed is to be filed for record in the real property records;

(20) Grantor shall not harvest any timber located on the Property without prior written notice to Beneficiary. In such event, all net proceeds from the sale of logs shall be paid to Beneficiary. As used herein, net proceeds shall mean logging revenue minus logging costs;

(21) The Grantor warrants that the proceeds of the loan represented by the above-described Note and this Trust Deed are intended for business or commercial purposes.

(22) This Trust Deed was drafted by Michael Petersen, who represents Grantor exclusively. Beneficiary has had an opportunity to have independent legal review before signing this document.

WARNING

Unless you provide us with evidence of the insurance coverage as required by our contract or loan agreement, we may purchase insurance at your expense to protect our interest. This

insurance may, but need not, also protect your interest. If the collateral becomes damaged, the coverage we purchase may not pay any claim you make or any claim made against you. You may later cancel this coverage by providing evidence that you have obtained property coverage elsewhere. You are responsible for the cost of any insurance purchased by us. The cost of this insurance may be added to your contract or loan balance. If the cost is added to your contract or loan balance, the interest rate on the underlying contract or loan will apply to this added amount. The effective date of coverage may be the date your prior coverage lapsed or the date you failed to provide proof of coverage. The coverage we purchase may be considerably more expensive than insurance you can obtain on your own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law. The Grantor covenants and agrees to and with the Beneficiary and those claiming under him, that he is lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto and that he will warrant and forever defend the same against all persons whomsoever; any default in any encumbrance superior in priority to this Trust Deed shall constitute a default hereunder.

The Grantor warrants that the proceeds of the loan represented by the above-described Note and this Trust Deed are for an organization or, even if Grantor is a natural person, are for business or commercial purposes of the undersigned. This Trust Deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors, and assigns.

DIRECTION TO TENANTS: Grantor hereby irrevocably authorizes and directs the tenants under all leases to pay all amounts owing to Grantor thereunder to Beneficiary following receipt of any written notice from Beneficiary that states that an event of default remains uncured and that all such amounts are to be paid to Beneficiary. Grantor further authorizes and directs all such tenants to pay all such amounts to Beneficiary without any right or obligation to inquire as to the validity of Beneficiary's notice and although Grantor has notified any such tenants that Beneficiary's notice is invalid or has directed any such tenants to not pay such amounts to Beneficiary.


At any time until this Trust Deed has been paid and satisfied in full, and within ten days of written demand delivered to Grantor's last known mailing address, Grantor hereby agrees to fully execute, acknowledge, initial, have notarized, deliver or perform any other task necessary to correct, complete, add to or replace any document in connection with or referred to in the documents and correspondence associated with the loan being made by Beneficiary to Grantor, secured by this Trust Deed and evidenced by the Note secured thereby; this paragraph is intended to assure Beneficiary that there are means available to address any error or omission in the creation, execution or transmission of documents necessary to properly and fully complete the loan transaction between Beneficiary and Grantor; Grantor's failure to perform under this paragraph within ten days after written notice as provided herein shall constitute an event of default hereunder.


The term Beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether named as a Beneficiary herein. In construing this deed and whenever the context so requires, the masculine gender includes the feminine and the neuter, and the singular number includes the plural.

Grantor hereby acknowledges having been advised by Beneficiary that Beneficiary has the unfettered right to assign, pledge or in any manner transfer or convey all or part of its interest in and to this Trust Deed and the Note and other obligations of Grantor to another party or parties; provided, however, that Beneficiary shall provide Grantor with notice thereof within five (5) days of any such assignment, pledge or transfer.

THE UNDERSIGNED HEREBY DECLARES, REPRESENTS AND AFFIRMS THAT THIS LOAN IS BEING MADE FOR THE BUSINESS PURPOSES OF THE UNDERSIGNED.

In witness whereof, said Grantor has hereunto set his hand the day and year first hereinabove written.

 *Trustee*
Bradley F. Reid, Trustee of the Reid Living
Trust dated November 11, 2020

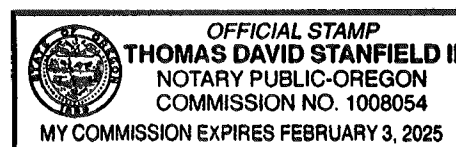

Heidi A. Reid, Trustee of the Reid Living
Trust dated November 11, 2020

State of Oregon; County of Deschutes; ss.

This instrument was acknowledged before me on November 29 2024 by Bradley F. Reid and Heidi A. Reid, as Trustees of the Reid Living Trust dated November 11, 2020.


Notary Public for Oregon

State of Oregon; County of Deschutes; ss.



REQUEST FOR FULL RECONVEYANCE

To Western Title & Escrow Company, Trustee:

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing Trust Deed. All sums secured by said Trust Deed have been fully paid and satisfied. You are hereby directed, on payment to you of any sums owing to you under the terms of said Trust Deed pursuant to statute, to cancel all evidences of indebtedness secured by said Trust Deed, which are delivered to you herewith together with said Trust Deed, and to reconvey, without warranty, to the parties designated by the terms of said Trust Deed the estate now held by you under the same. Mail reconveyance documents to Grantor at:_____

_____.

Dated:_____

Beneficiary

Exhibit A

The following described real property located in Klamath County, Oregon:

Unsurveyed Parcel 1 of Land Partition 12-16 being a replat of Parcel 1 of Land Partition 59-93, situated in the NE1/4 of Section 18, Township 24 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon. Recorded January 3, 2017, Instrument No. 2017-000024.