

When Recorded Return to:

Oregon Housing and Community Services
Attn: Homeownership Programs DPA
725 Summer Street NE, Suite B
Salem, OR 97301

DEED OF TRUST

Effective Date: 01/01/2025	County and State Where Subject Property is located: County of Klamath and State of Oregon
Trustor(s) Name, Mailing Address and Zip Code: Judy Gerard and Jonathan Michael Lawrence McFall and Gennifer Fields 3816 Bristol Avenue, Klamath Falls, OR 97603 Trustor(s), Vesting as: Judy Gerard and Jonathan Michael Lawrence McFall and Gennifer Fields, as tenants in common	Beneficiary (Name, Mailing Address, Zip Code) Oregon Housing and Community Services 725 Summer Street NE, Suite B Salem, OR 97301 Attn: Homeownership Programs DPA
Trustee (Name, Mailing Address and Zip Code): First American Title 1225 Crater Lake Avenue, Suite 101 Medford, OR 97504	Obligation Secured (Date and amount) Amount: \$30,000.00 Promissory Note Dated: 01/01/2025
Subject Real Property (Address): 3816 Bristol Avenue, Klamath Falls, OR 97603	

Subject Real Property:

Real property in the County of Klamath, State of Oregon, described as follows:
Lot 19, SUMMERS PARK, according to the Official Plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

- Conveyance.** Trustor irrevocably grants and conveys to Trustee in trust, with the power of sale, the Subject Real Property, subject to covenants, conditions, restrictions, rights of way and easements of record, to be held as security for the payment by Trustor of the Obligation Secured as specified above (the "Obligation Secured") and as provided in that certain Promissory Note of even date herewith (the "Promissory Note") and any other documents memorializing the Obligation Secured and for the performance of other obligations of Trustor as set forth in this Deed of Trust.
- Appurtenances.** Trustor grants and conveys to Trustee in trust, together with the Subject Real Property, all buildings and improvements now or hereafter erected thereon, and all fixtures attached to or used in connection with the Subject Real Property (including, without limiting the generality of the foregoing, all ventilating, heating, air conditioning, refrigeration, plumbing and lighting fixtures), together with all

leases, rents, issues, profits or income therefrom (hereinafter "Property Income"), subject however, to the right, power and authority hereinafter given to Beneficiary to collect and apply such property income.

3. **Taxes and Assessments and Trust Expenses.** Trustor shall pay all cost, fees and expenses of this trust and all lawful charges, costs and expenses or any reinstatement of this Deed of Trust following default. Trustor shall make such payments before paying any delinquent taxes or assessments or any liens or encumbrances affecting the Subject Real Property, or any part thereof, which appear to be prior or superior to this Deed of Trust.

4. **Property Insurance.** Insurance requirements: Coverages. Trustor must keep the improvements now existing or subsequently erected on the Subject Real Property insured against loss by fire, hazards included within the term "extended coverage", and any other hazards, including, but not limited to, earthquakes, winds, and floods, for which Beneficiary requires insurance. Trustor must maintain the types of insurance Beneficiary requires, all in accordance with the terms of any security instrument that has a lien with priority over this Deed of Trust. This insurance must be maintained in the amounts (including deductible levels) and for the periods that Beneficiary requires. The insurance coverage required by Beneficiary pursuant to the preceding sentences can be changed by Beneficiary during the term of the Obligation Secured and may exceed any minimum coverage required by applicable law. Trustor may choose the insurance carrier providing the insurance, subject to Beneficiary's right to disapprove Trustor's choice, which right will not be exercised unreasonably.

Failure to Maintain Insurance. If Beneficiary has a reasonable basis to believe that Trustor has failed to maintain any of the required insurance coverages described above, Beneficiary may obtain insurance coverage, at Beneficiary's option and at Trustor's expense. Beneficiary is under no obligation to purchase any particular type or amount of coverage. Any such coverage may insure Beneficiary, but is not required to protect Trustor, Trustor's equity in the Subject Real Property, or the contents of the Subject Real Property, against any risk, hazard, or liability and might provide greater or lesser coverage than was previously in effect.

Insurance Policies. All insurance policies required by Beneficiary and renewals of such policies:

- a. will be subject to Beneficiary's right to disapprove such policies;
- b. must include a standard mortgage clause; and
- c. must name Beneficiary as mortgagee and/or as an additional loss payee in the order of the priority of its lien.

5. **Processing of Insurance Policies.** Trustor shall promptly deliver to Beneficiary upon request the originals or true and exact copies of all insurance policies required by this Deed of Trust. Trustor shall not, by act or omission, in any way impair or invalidate any insurance policy required by this Deed of Trust. All insurance policies shall contain a written obligation of the insurer to notify the Beneficiary in writing at least 10 days prior to any cancellation thereof.

6. **Indemnification of Trustee and Beneficiary.** Trustor shall hold Trustee and Beneficiary harmless from and indemnify each of them for, from and against any and all claims raised by any third party against Trustee or Beneficiary resulting from their interests hereunder or the acts of Trustor. Such indemnification shall include reasonable attorney's fees and costs, including cost of evidence of title.

7. **Right of Beneficiary or Trustee to Pay Obligations of Trustor.** If Trustor fails or refuses to pay any sums due to be paid by it under the provisions of this Deed of Trust or fails or refuses to take any action as herein provided, then Beneficiary or Trustee shall have the right to pay any such sum due to be paid by Trustor and to perform any act necessary. The amount of such sums paid by Beneficiary or Trustee for the account of Trustor and the cost of any such action, together with interest thereon at the legal rate, from the date of payment until Trustor's repayment of such sum to Beneficiary or Trustee, as applicable, shall be added to the Obligation Secured. The payment of Beneficiary or Trustee of any such sums or the performance of any such action shall be prima facie evidence of the necessity therefor.

8. **Condemnation.** Any award of damages in connection with any condemnation or injury to any of the Subject Real Property by reason of public use or for damages for private trespass or injury thereto, are assigned in full and shall be paid to Beneficiary, who shall apply them to payment of the principal of the Obligation Secured, the interest thereon, and any other charges or amounts secured hereby in such manner as Beneficiary may elect. Any remaining balance shall be paid to Trustor. Beneficiary may, at Beneficiary's option, appeal from any such award in the name of Trustor. Unless Trustor and Beneficiary otherwise agree in writing, any application of such proceeds to principal shall not extend or postpone the due dates of any installment payments of the Obligation Secured or change the amount of such payments.
9. **Care of Property.** Trustor shall take reasonable care of the Subject Real Property and the buildings thereon and shall maintain them in good repair and condition as at the date of execution of this Deed of Trust, ordinary depreciation excepted. Trustor shall commit or permit no waste and shall take no action that will unduly impair or depreciate the value of the Subject Real Property. If Trustor fails to perform its obligations under this Section 9, then Beneficiary or Trustee, at their option, may make necessary repairs and add the cost thereof to the Obligation Secured. Trustor shall purchase and use on the Subject Real Property the amount of water to which it is or shall be entitled and shall not abandon any water rights, power rights or any other rights of any nature which are appurtenant to the Subject Real Property.
10. **Right to Inspect Subject Real Property.** At all convenient and reasonable times, upon prior notice to Trustor, Beneficiary or Trustee shall have the right and license to go on and into the Subject Real Property to inspect it in order to determine whether the provisions of this Deed of Trust are being kept and performed.
11. **Acceleration.** If an event of default occurs as set forth in Section 12, Beneficiary may declare all sums secured hereby immediately due and payable, upon delivery of written notice as required by applicable law.
12. **Event of Default.** Each of the following shall be considered an event of default under this Deed of Trust:
 - a. The failure of Trustor to make any payment due hereunder or under the Obligation Secured on or before the due date thereof;
 - b. The failure of Trustor to perform any duty required by this Deed of Trust or the Obligation Secured;
 - c. The removal or attempted removal by Trustor of any property included in the Subject Real Property without the consent of Beneficiary;
 - d. The abandonment of the Subject Real Property by Trustor;
 - e. Fraud or material misrepresentation by Trustor in obtaining the Obligation Secured or related to Trustor's fulfillment of Trustor's obligations under the Obligation Secured or this Deed of Trust;
 - f. To the extent permitted by applicable law, the filing, execution or occurrence of:
 1. A petition in bankruptcy by or against Trustor;
 2. A petition or answer seeking a reorganization, composition, readjustment, liquidation, dissolution or other relief of the same or different kind under any provision of the federal Bankruptcy Act.
 3. Adjudication of Trustor as bankrupt or insolvent, or insolvency in the bankruptcy equity sense.
 4. An assignment by Trustor for the benefit of creditors, whether by trust, mortgage or otherwise.
 5. A petition or other proceedings by or against Trustor for the appointment of a trustee, receiver, guardian, conservator or liquidator of Trustor with respect to all or substantially all of its property.
 6. The taking of possession of Trustor's property by any governmental authority.

7. A Repayment Event as provided in the Promissory Note.

13. **Trustee's Sale.** Upon receipt of Beneficiary's notice of election to cause the Subject Real Property to be sold, Trustee shall, in accordance with applicable law, give notice of Trustee's sale and, after the lapse of the required amount of time, sell the Subject Real Property at public auction, at the time and place specified in the notice of Trustee's sale, to the highest bidder for cash in lawful money of the United States, payable at the time of sale. Any persons, including Trustor, Trustee or Beneficiary may purchase at Trustee's sale. Trustee may postpone or continue the sale by giving notice of postponement or continuance by public declaration at the time and place last appointed for sale. Upon sale, Trustee shall deliver to the purchaser a Trustee's deed conveying the Subject Real Property, but without any covenant or warranty, expressed or implied.
14. **Proceeds of Trustee's Sale.** After deducting all costs, fees and expenses of Trustee and of this trust, including the cost of evidence of title in connection with the sale and reasonable attorney's fees, Trustee shall apply the proceeds of sale to payment of all sums then secured hereby and all other sums due under the terms hereof, with accrued interest, and the remainder, if any to the persons legally entitled thereto or as provided by ORS 105.285.
15. **Defaults on Prior Encumbrances.** If there are mortgages upon the Subject Real Property or other encumbrances which are prior in time or prior in right, then Trustor promises to comply with the terms of these prior mortgages or encumbrances. If Trustor fails to comply with such terms and defaults on these mortgages or obligations, such default shall also be considered a default of this Deed of Trust, and Trustee or Beneficiary herein may advance the monies necessary to remedy such defaults, and any such advanced monies shall be added to the Obligation Secured and shall bear interest at the legal rate from the date monies are tendered. Beneficiary may also proceed on this default by exercising the same remedies it has on this Deed of Trust.
16. **Foreclosure and Other Remedies.** In lieu of sale pursuant to the power of sale conferred hereby, this Deed of Trust may be foreclosed in the same manner provided by law for the foreclosure of mortgages on real property. Beneficiary shall also have all other rights and remedies available hereunder and at law or in equity. All rights and remedies of Beneficiary and Trustee shall be cumulative.
17. **Reinstatement After Event of Default.** Notwithstanding Beneficiary's acceleration of sums secured by this Deed of Trust, Trustor shall have the right to have any proceedings begun by Beneficiary to enforce this Deed of Trust discontinued and to have this Deed of Trust reinstated prior to 5:00 p.m. Pacific Standard Time on the last day, other than a Saturday or legal holiday, before the Trustee's sale or before the filing of a judicial foreclosure action as provided by applicable law. In order to have this Deed of Trust reinstated after default, Trustor must:
 1. Pay to Beneficiary the entire amount due under this Deed of Trust and the Obligation Secured, other than any portion of the principal that would not be due had no default occurred;
 2. Cure all defaults or any covenants or agreements of Trustor as contained in this Deed of Trust;
 3. Pay costs and expenses incurred by Beneficiary and Trustee in enforcing the terms of this Deed of Trust and pursuing remedies hereunder;
 4. Pay the recording fee for a cancellation of notice of sale;
 5. Pay Trustee's fees, in an amount not to exceed \$600 or one-half of one percent of the entire unpaid principal sum secured, whichever is greater; and
 6. Pay expenses and reasonable attorney's fees that are not otherwise provided that are incurred in protecting and preserving Beneficiary's interest in the Subject Real Property.Upon reinstatement, this Deed of Trust and the Obligation Secured shall remain in full force and effect as if no acceleration had occurred.
18. **Assignment of Property Income.** As additional security, Trustor hereby gives Beneficiary the right, power and authority during the continuance of this trust, to collect the Subject Real Property income, reserving to Trustor the right, prior to any default by Trustor in payment of any indebtedness secured

hereby or in performance of any agreement hereunder, to collect and retain such property income as it becomes due and payable.

Upon any such default, to the extent permitted by applicable law, Beneficiary may at any time, without notice, either in person, by agent or by receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Subject Real Property or any part thereof; in its own name sue for or otherwise collect the Subject Real Property income, including income past due and unpaid; and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby and in such order as Beneficiary may determine. The entering upon and taking possession of the Subject Real Property, the collection of such property income and the application thereof, shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

19. **Acts of Trustee Affecting Subject Real Property.** At any time, without notice, upon written request of Beneficiary, Trustee may, without liability, release and reconvey all or any part of the Subject Real Property; consent to the making and/or recording of any map or plat of all or any part of the Subject Real Property; join in granting any easement on the Subject Real Property; or join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance or charge of this Deed of Trust. Any such action by Trustee may be taken without affecting the personal liability of any person for payment of the Obligation Secured, without affecting the security hereof for the full amount secured hereby on all property remaining subject hereto, and without the necessity that any sum representing the value or any portion thereof the property affected by Trustee's action be credited to the indebtedness.
20. **Satisfaction of the Obligation Secured.** If Trustee receives full payment of the Obligation Secured in the amount secured, or after Trustor continuously owns and occupies the Subject Real Property for the entire five-year period from the date of the Promissory Note, then, at the request of Trustor, Beneficiary or Trustee shall acknowledge satisfaction of this Deed of Trust by delivering to Trustor a satisfaction or release of realty deed of trust or similar instrument.
21. **Notices.** Copies of all notices and communication concerning this Deed of Trust shall be mailed to the parties at the addresses specified in this Deed of Trust, and any change of address shall be communicated to the other parties in writing. Any documents which may adversely affect the rights of any party to this Deed of trust shall be mailed by Certified Mail, Return Receipt Requested.
22. **Headings.** The marginal or topical headings of the provisions herein are for convenience only and do not define, limit or construe the contents of these provisions.
23. **Interpretation.** In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural and vice versa.
24. **Applicable Law.** This Deed of Trust shall be subject to and governed by the laws of the State of Oregon and the laws of the local jurisdiction in which the Subject Real Property is located, regardless of the fact that one or more parties is now or may become a resident of a different state.
25. **Waiver.** Any waiver by either party of a breach of any provision of this Deed of Trust shall not operate or be constructed as a waiver of any subsequent breach hereof.
26. **Succession of Benefits.** The provisions of this Deed of Trust shall inure to the benefit of and be binding upon the parties hereto, their heirs, personal representatives, conservators and permitted assigns.
27. **Successor Trustee.** Beneficiary may appoint a successor Trustee in the manner prescribed by applicable law. A successor Trustee herein shall, without conveyance from the predecessor Trustee, succeed to all of predecessor Trustee's title, estate, rights, powers and duties. Trustee may resign by mailing or delivering written notice thereof to Beneficiary and Trustor at least 30 days prior to the effective date of the resignation.

28. **Entire Agreement.** The terms of this Deed of Trust constitutes the entire agreement among the parties with respect to the subject matter of this Deed of Trust, and the parties represent that there are no collateral or side agreements not otherwise provided for within the terms of this Deed of Trust.
29. **Time of Essence.** Time is of the essence in the performance of every term, condition, covenant and provision under this Deed of Trust.
30. **Modification.** No modification of this Deed of Trust shall be binding unless evidenced by an agreement in writing and signed by all parties.
31. **Partial Invalidity.** If any provision of this Deed of Trust is held to be invalid or unenforceable, all the remaining provisions shall nevertheless continue in full force and effect.
32. **Payment on Sale.** In the event all or any part of the Subject Real Property or any interest in it is sold, conveyed, or encumbered, either voluntarily or by operation of law, Beneficiary shall have the right in its sole and absolute discretion to declare all obligations secured by this Deed of Trust immediately due and payable upon notice to Trustee by Beneficiary without regard to whether Beneficiary approved or otherwise consented to the sale, conveyance, or encumbrance of the Subject Real Property.
33. **Indemnification of Beneficiary.** Trustor shall indemnify Beneficiary and Trustee for, from and against any and all liability for the violation by Trustor of any federal or state statute, law or regulation dealing with the environment. Trustor warrants that he or she will comply with those laws and regulations. Trustor warrants the Subject Real Property does not contain any hazardous substance and shall indemnify Beneficiary and Trustee against any and all liability for hazardous waste disposal or cleanup. This warranty and indemnification shall survive any foreclosure of this Deed of Trust or the acceptance of a deed in lieu of foreclosure. Trustor shall promptly notify Beneficiary and Trustee of any suspected or alleged environmental violations during the term of the Obligation Secured.
34. **Prohibition on Assumptions.** Except where otherwise required or permitted by Beneficiary or applicable law in connection with a transfer on death, divorce, legal separation, or legal incapacity of a Trustor, the obligations of Trustor under this Deed of Trust may not be assigned or assumed.
35. **Subordination.**
- Notwithstanding any provision of this Deed of Trust to the contrary, Beneficiary and Trustor acknowledge and agree that this Deed of Trust is subject and subordinate in all respects to the liens, terms, covenants and conditions of the first mortgage loan/deed of trust relating to the Subject Real Property ("First Mortgage/Deed of Trust").
 - The terms and provisions of the First Mortgage/Deed of Trust are paramount and controlling, and they supersede any terms and provisions of this Deed of Trust in conflict therewith.
 - In the event of a trustee's sale, judicial foreclosure or deed in lieu of foreclosure of the First Mortgage/Deed of Trust, any provisions herein or any provisions in any collateral agreement restricting the use of the Subject Real Property or otherwise restricting Trustor's ability to sell the Subject Real Property shall have no further force or effect on subsequent owners or purchasers of the Subject Real Property. Any person, including Trustor's successors or assigns (other than Trustor or a person or entity related to Trustor), receiving title to the Subject Real Property through a trustee's sale, judicial foreclosure or deed in lieu of foreclosure of the First Mortgage/Deed of Trust shall receive title to the Subject Real Property free and clear from such restrictions.
 - Further, if the senior lien holder acquires title to the Subject Real Property pursuant to a deed in lieu of foreclosure, the lien of this Deed of Trust shall automatically terminate upon the senior lien holder's acquisition of title, provided that Beneficiary has been given prior written notice of a default under the First Mortgage/Deed of Trust at least 30 days prior to such acquisition.

By signing below, Trustor accepts and agrees to the terms and covenants contained in this Trust Deed and in any Exhibits attached hereto.

TRUSTOR

Judy Gerard
Judy Gerard/Signature

Jonathan Michael Lawrence McFall
Jonathan Michael Lawrence McFall/Signature

Gennifer Fields
Gennifer Fields/Signature

State of Oregon)
ss

County of Klamath

The foregoing instrument was acknowledged before me this 1 day of January, 2025 by Judy Gerard, Jonathan Michael of Klamath Falls, for and on behalf of Borrower. Lawrence McFall & Gennifer Fields

Marla Michele Hanlon-Abeita
Notary Public for Oregon
My Commission Expires: 2/26/2027

