

After Recording Return to:

Tillamook Urban Renewal Agency
Attn: TURA Executive Assistant
210 Laurel Avenue
Tillamook, OR 97141

TRUST DEED

THIS TRUST DEED, made on _____ between **Allan Kimmel**, an Individual, as Grantor, **Ticor Title Company**, as Trustee, and **Tillamook Urban Renewal Agency**, a public body corporate and politic, activated by the City of Tillamook, Oregon, and existing under and by virtue of the laws of the State of Oregon, as Beneficiary.

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to Trustee, in trust, with power of sale, the property in Tillamook County, Oregon, commonly known as 1812 1st Street, Tillamook, OR, and two (2) parcels described in **Exhibit A**, attached hereto and incorporated herein ("Property"), together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in any way now or hereafter appertaining, and the rents, issues and profits thereof, and all fixtures now or hereafter attached to or used in connection with the Property.

This Trust Deed is made for the purpose of securing performance of each agreement of Grantor herein contained and payment of the sum of **ONE HUNDRED THOUSAND and no/100 (\$100,000.00)**, with interest thereon according to the terms of a Loan Agreement and Note of even date herewith, and Grant Agreement of even date, payable to Beneficiary or order and made by Grantor.

Should the Grantor either agree to, attempt to, or actually sell, convey, or assign all (or any part) of the Grantor's interest in it without first obtaining the written consent or approval of the Beneficiary, then, at the Beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or herein, shall become immediately due and payable. The execution by Grantor of an earnest money agreement does not constitute a sale, conveyance, or assignment.

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

1. To protect, preserve and maintain the Property in good conditions and repair; not to remove or demolish any building or improvement thereon; and not to commit or permit any waste of the Property.
2. To complete or restore promptly and in good and habitable condition any building or improvement that may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefore.
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 maximum insurable value, written by one or more companies acceptable to the Beneficiary, with loss payable to the latter. 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 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.

WARNING: Unless Grantor provides Beneficiary with evidence of 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 the coverage by providing evidence that Grantor has obtained property coverage elsewhere. Grantor is responsible for the cost of any insurance coverage 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 alone and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

5. To keep the Property free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against the Property before any part of such taxes, assessments and other charges becomes past due or delinquent and promptly deliver receipts therefore to Beneficiary. Should the Grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by Grantor, Beneficiary may, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in the Loan Agreement and 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, without waiver of any rights arising from breach of any of the covenants hereof. 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. 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 shall constitute a breach of this Trust Deed.
6. To pay all costs, fees and expenses of this trust, 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 and attorney 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 an suit for the foreclosure of this 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 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.

It is mutually agreed that:

8. In the event that any portion or all of the Property shall be taken under the right of eminent domain or condemnation, subject to the rights of the holder of the First Lien, 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 or incurred 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 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 the 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 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 therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee fees for any of the services mentioned in this paragraph shall be not less than \$5.
10. Upon any default by Grantor hereunder, and subject to the rights of the holder of the First Lien, 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 hereby secured, 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 of 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 thereof as then required by law and proceed to foreclose this Trust Deed in the manner provided in ORS 86.735 to 86.795.
13. 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 mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor Trustee.
14. 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.
15. The Grantor covenants to and agrees with the Beneficiary and the Beneficiary's successors in interest that the Grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto, except the encumbrance of the First Lien, and that the Grantor will warrant and forever defend the same against all persons whomsoever.

- 16. 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.
- 17. 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. The term Beneficiary shall mean the holder and owner, including pledgee, or the contract secured hereby, whether or not named as a Beneficiary herein.
- 18. In construing this Trust Deed, it is understood that the Grantor, Trustee and/or Beneficiary may each be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, the Grantor has executed this instrument this ____ day of _____, 2017.

Allan Kimmel, an Individual.

By: _____
Allan Kimmel

STATE OF OREGON)
) ss.:
County of _____

On this day before me, the undersigned Notary Public, personally appeared Allan Kimmel to me known to be the owner of 1812 1st Street, Tillamook, Oregon, that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of the company, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, my hand and official seal on this ____ day of _____, 2017.

By: _____
Notary Public for the State of Oregon
My Commission Expires: _____

EXHIBIT A

PROPERTY LEGAL DESCRIPTION

LEGAL DESCRIPTION OF THE LOTS ARE AS FOLLOWS:

PARCEL 1:

THE EAST 20 FEET OF LOT 5, AND ALL OF LOT 6, BLOCK 2, TOWN OF LINCOLN, NOW TILLAMOOK CITY, IN TILLAMOOK COUNTY, OREGON.
TOGETHER WITH THAT STRIP OF LAND 10 FEET WIDE AND 100 FEET LONG LYING BETWEEN LOTS 6 AND 7 IN SAID BLOCK 2.

PARCEL 2:

THE WEST 40 FEET OF LOT 7, BLOCK 2, TOWN OF LINCOLN, NOW TILLAMOOK CITY, IN TILLAMOOK COUNTY, OREGON.

PARCEL 3:

BEGINNING AT A POINT 58 FEET WEST OF THE SOUTHEAST CORNER OF BLOCK 2, TOWN OF LINCOLN, NOW TILLAMOOK CITY, IN TILLAMOOK COUNTY, OREGON; THENCE NORTH 100 FEET; THENCE WEST 2 FEET; THENCE SOUTH 100 FEET; THENCE EAST 2 FEET TO THE POINT OF BEGINNING; BEING ALSO DESCRIBED AS THE EAST 2 FEET OF THE WEST 42 FEET OF LOT 7, BLOCK 2, TOWN OF LINCOLN, NOW TILLAMOOK CITY, IN TILLAMOOK COUNTY, OREGON.