

1 **After Recording Return To:**
 2 _____
 3 _____
 4 _____

5 **DEED OF TRUST**
 6 This Deed of Trust is intended to be a legal and binding agreement.
 7 If it is not understood, seek competent legal advice before signing.

8 BETWEEN: _____ ("Seller/Beneficiary")
 9 _____
 10 _____

11 AND: _____ ("Buyer/Grantor")
 12 _____
 13 _____

14 AND: _____ ("Trustee")
 15 _____
 16 _____

17 Seller/Beneficiary has agreed to sell to Buyer/Grantor certain real property generally described as (*insert address*):
 18 _____
 19 _____

20 and legally described on **Exhibit A**, attached hereto (the "Property"). The following provisions represent the terms and condition of Seller/Beneficiary's
 21 security interest in the Property for repayment of Buyer/Grantor's Promissory Note, which accompanies this Deed of Trust:

22 **CONVEYANCE AND GRANT.** For valuable consideration, Buyer/Grantor conveys to Trustee for the benefit of Seller/Beneficiary, all Buyer/Grantor's
 23 right, title, and interest in and to the Property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all
 24 easements, rights of way, and appurtenances; all water, water rights, irrigation rights; and all other rights, royalties, and profits relating to the Property,
 25 including without limitation all minerals, oil, gas, geothermal, and similar matters.

26 **DEFINITIONS.** The following words shall have the following meanings when used in this Deed of Trust. Terms not otherwise defined in this Deed of
 27 Trust shall have the meanings attributed to them in Oregon's trust deed law and the Uniform Commercial Code.

28 **Deed of Trust.** The words "Deed of Trust" means this Deed of Trust among Buyer/Grantor, Seller/Beneficiary, and Trustee, and includes, without
 29 limitation, all assignment and security interest provisions relating to all rents and profits therefrom.

30 **Indebtedness.** The word "Indebtedness" means all amounts owing under the Promissory Note (including but not limited to principal, interest, costs,
 31 charges, late fees and attorney fees), and any amounts expended or advanced by Seller/Beneficiary to discharge obligations of Buyer/Grantor, or
 32 expenses incurred by Trustee or Seller/Beneficiary to enforce obligations of Buyer/Grantor under this Deed of Trust, together with interest on such
 33 amounts as provided in this Deed of Trust.

34 **Property.** The word "Property" shall, where applicable, collectively mean the above identified Property together with all associated fixtures and, where
 35 applicable, all personal property.

36 **Promissory Note (Maturity Date).** Means the agreement dated _____ (hereinafter the "Note" or the "Promissory Note")
 37 between Buyer/Grantor and Seller/Beneficiary in the principal amount of \$ _____. The maturity date of the Promissory Note
 38 shall be _____, at which time, unless fully amortized, the entire unpaid principal balance, including accrued interest,
 39 and all costs, charges and expenses due thereunder shall be paid in full.

40 **Trustee.** The word "Trustee" means the above-identified title insurance company, and any substitute or successor trustee.

41 THIS DEED OF TRUST IS GIVEN TO SECURE; (1) PAYMENT OF THE INDEBTEDNESS IDENTIFIED IN THE PROMISSORY NOTE, (2)
 42 PERFORMANCE OF ANY AND ALL OBLIGATIONS OF BUYER/GRANTOR UNDER SAID NOTE, AND (3) PERFORMANCE OF ANY AND ALL
 43 OBLIGATIONS OF BUYER/GRANTOR UNDER THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING
 44 TERMS:

Buyer Initials ____ / ____ Date _____

Seller Initials ____ / ____ Date _____

45 **Section 1. TAXES; LIENS; HOA/UOA ASSESSMENTS.**

46 **1.1 PAYMENT OF TAXES AND ASSESSMENTS.** All real property taxes and assessments levied against the Property for the current tax year shall be
47 prorated between Seller/Beneficiary and Buyer/Grantor as of the Closing Date identified in the Real Estate Sale Agreement ("Sale Agreement").
48 Buyer/Grantor shall pay when due all taxes and assessments levied against the Property after the Closing Date. Buyer/Grantor may elect to pay
49 assessments in accordance with any available installment method. For property taxes, all payments shall be made no less frequently than one-third each
50 on November 15, February 15 and May 15 (or the following business day) of each fiscal tax year. Buyer/Grantor shall provide Seller/Beneficiary with
51 written evidence all taxes and assessments have been paid within ten (10) days after each required payment. If applicable, until the current fiscal year's
52 property taxes are known, Buyer/Grantor's tax payments shall be calculated upon the prior fiscal year's taxes, with the parties reconciling and
53 paying/reimbursing any shortfall or overage prior to November 1 of the then-current fiscal year.

54 **1.2 RIGHT TO CONTEST.** If Buyer/Grantor objects in good faith to the validity or amount of any tax or assessment, Buyer/Grantor, at Buyer/Grantor's
55 sole expense, may contest the validity or amount thereof, provided Seller/Beneficiary's security interest in the Property is not jeopardized.

56 **1.3 TAX STATEMENTS.** Buyer/Grantor shall provide Seller/Beneficiary with a copy of the annual property tax statement promptly upon receipt, but in no
57 event later than November 1, of each fiscal tax year.

58 **1.4 PROHIBITION AGAINST ENCUMBERING PROPERTY.** Excepting only unpaid property taxes or assessments not yet due, Buyer/Grantor shall not
59 allow the Property to be encumbered by any liens as long as any sums remain due to Seller/Beneficiary under this Deed of Trust or accompanying
60 Promissory Note. In the event a contractor's lien is filed against the Property, if Buyer/Grantor executes a bond or deposits cash pursuant to ORS 87.076,
61 Buyer/Grantor shall have the right to contest same without constituting an Event of Default as more fully described in Section 9, below.

62 **1.5 ASSOCIATION DUES/ASSESSMENTS.** If applicable, Buyer/Grantor shall pay when due all dues, assessments, and other charges levied by the
63 Homeowners' or Unit Owners' Association and provide Seller/Beneficiary with written evidence of such payment within ten (10) days after each required
64 payment.

65 **Section 2. POSSESSION.** Buyer/Grantor shall be entitled to possession of the Property from and after the Closing Date and Possession as identified in
66 the Sale Agreement between the parties.

67 **Section 3. MAINTENANCE; ALTERATIONS.**

68 **3.1 MAINTENANCE.** Buyer/Grantor shall keep all buildings, other improvements, and landscape now existing, or shall be placed on the Property, in good
69 condition and repair as of the date Buyer/Grantor is entitled to possession, and shall not permit any waste, damage, or removal of improvements, nor
70 make any substantial improvements or alterations to the Property that would reduce the value of Seller/Beneficiary's security interest therein.

71 **3.2 PROHIBITED ACTIVITIES.** Buyer/Grantor shall not use or permit the use of all or any of the Property for conduct or activity constituting a violation of
72 any federal, state, or local laws or ordinances. Buyer/Grantor's use of the Property for any legal purpose under Oregon law, but prohibited under federal
73 law, shall not constitute a violation of this Deed of Trust or accompanying Promissory Note, unless there is clear and convincing evidence such use, or
74 intended use, would reduce the value of Seller's security interest in the Property.

75 **3.3 HAZARDOUS SUBSTANCES.** Buyer/Grantor shall comply fully with all laws pertaining to the protection of human health and the environment, and
76 shall not store, handle, or dispose of any hazardous substances at the Property. Buyer/Grantor shall indemnify, defend, and hold harmless
77 Seller/Beneficiary from and against all claims, causes of action, losses, damages, costs, response costs and expenses, liabilities, and other expenses
78 caused by, arising out of, or in connection with the generation, release, handling, storage, discharge, transportation, deposit or disposal in, on, under
79 or about the Property by Buyer/Grantor or any agents, representatives or contractors of Buyer/Grantor of the following: Hazardous materials,
80 hazardous substances, ultrahazardous materials, toxic wastes, toxic substances, pollutants, radioactive materials, petroleum products, underground
81 tanks, oils, pollution, asbestos, PCBs, materials, or contaminants, as those terms are commonly used or as defined by any present or future federal,
82 state, and/or local law or regulation related to protection of health or the environment.

83 **Section 4. INSURANCE.**

84 **4.1 PROPERTY DAMAGE/FLOOD INSURANCE.** Buyer/Grantor shall procure and maintain a policy of fire and casualty insurance with standard
85 extended coverage endorsements on a replacement cost basis covering all improvements on the Property in an amount not less than the full replacement
86 value of the residence and any structures located upon the Property. Additionally, if the Property is located in a designated flood plain, Buyer shall secure
87 a policy of flood insurance reasonably satisfactory to Seller. The policies shall be primary with respect to all covered risks, shall identify Seller as a named
88 insured, and shall be written in such form with such terms and by such insurance companies reasonably acceptable to Seller. Buyer shall deliver to Seller
89 a certificate of coverage from the insurers containing a stipulation coverage will not be cancelled or diminished without a minimum of 30-day written notice

Buyer Initials ____ / ____ Date _____

Seller Initials ____ / ____ Date _____

90 to Seller. In the event of any insured loss covered by insurance, Buyer shall give immediate notice to Seller. Seller may make proof of loss if Buyer fails
91 to do so within 15 days of the casualty event.

92 **4.2 APPLICATION OF PROCEEDS.** All proceeds of any insurance on the Property shall be paid to and held by Seller/Beneficiary. If Buyer/Grantor elects
93 to restore the Property, Buyer/Grantor shall, through an Oregon licensed and bonded contractor, repair or replace the damaged or destroyed
94 improvements in a workmanlike manner reasonably satisfactory to Seller/Beneficiary. Seller/Beneficiary shall timely release such funds to any contractor
95 to whom payment is due upon satisfactory proof of completion of their labor and materials and the appropriate lien release. If there are any insurance
96 funds remaining after completion of all necessary restoration consistent with this Section 4.2, the balance shall be applied to principal reduction under the
97 Promissory Note accompanying this Deed of Trust. If Buyer/Grantor elects not to restore the Property, at the election of Seller/Beneficiary,
98 Seller/Beneficiary shall retain a sufficient amount of the proceeds to pay all amounts owed Seller/Beneficiary under this Deed of Trust and accompanying
99 Promissory Note, and shall pay the balance, if any, to Buyer/Grantor.

100 **Section 5. INDEMNIFICATION.**

101 **5.1 BUYER/GRANTOR.** Buyer/Grantor shall indemnify and hold Seller/Beneficiary harmless and, at Seller/Beneficiary's election, defend
102 Seller/Beneficiary from and against any and all claims, losses, damages, fines, charges, actions, or other liabilities of any description arising out of or in
103 any way connected with Buyer/Grantor's possession or use of the Property after the Closing Date.

104 **5.2 SELLER/BENEFICIARY.** Seller/Beneficiary shall indemnify and hold Buyer/Grantor harmless and, at Buyer/Grantor's election, defend Buyer/Grantor
105 from and against any and all claims, losses, damages, fines, charges, actions, or other liabilities of any description arising out of or in any way connected
106 with Seller/Beneficiary's possession or use of the Property on or before the Closing Date.

107 **Section 6. REPRESENTATIONS, WARRANTIES, AND COVENANTS OF SELLER/BENEFICIARY.**

108 **6.1 COVENANTS OF TITLE.** Buyer/Grantor warrants Buyer/Grantor is the owner of insurable title to the Property, and same is free of all liens and
109 encumbrances excepting those Exceptions Nos. _____, contained in the latest Preliminary Title Report ("Report") issued by
110 _____, dated _____, Order No. _____ ("Report").

111 **6.2 AUTHORITY.** Seller/Beneficiary and Buyer/Grantor mutually represent to the other they have obtained all requisite authorizations for the execution
112 and delivery of this Deed of Trust and accompanying Promissory Note.

113 **6.3 NONFOREIGN STATUS.** Seller/Beneficiary is not a "foreign person" as defined in 26 U.S. Code § 1445 (Withholding of tax on dispositions of United
114 States real property interests).

115 **6.4 NO WARRANTIES; AS IS.** Subject only to those representations made by Seller/Beneficiary in the Seller Property Disclosure Statement, if applicable,
116 the Sale Agreement with Buyer/Grantor, and those warranties of title contained in the Deed transferred upon Closing, as defined in the Sale Agreement,
117 Seller/Beneficiary makes no other representations or warranties, express or implied, as to the Property, its condition, or state of repair, it being understood
118 by all parties the Property is transferred to Buyer in its AS-IS condition as of the Closing Date.

119 **6.5 SURVIVAL OF REPRESENTATIONS.** Those representations in the Seller's Property Disclosure Statement, if applicable, and Sale Agreement
120 between Seller/Beneficiary and Buyer/Grantor shall survive Closing, and become a part of this Deed of Trust and accompanying Promissory Note.

121 **Section 7. TITLE INSURANCE.** Upon Closing, Seller/Beneficiary, at Seller/Beneficiary's cost, shall furnish Buyer/Grantor with an owner's policy of title
122 insurance in the amount of the Purchase Price set forth in the Sale Agreement with those exceptions contained in the Report identified in Section 6.1,
123 above.

124 **Section 8. DEED OF RECONVEYANCE.** If Buyer/Grantor pays all sums due under this Deed of Trust and accompanying Promissory Note when due,
125 and performs all other obligations imposed thereunder, Seller/Beneficiary shall execute and deliver to Trustee a request for full reconveyance, which
126 shall execute and record a Deed of Reconveyance in the public records of the county in which the Property is located. Any reconveyance fee required
127 by the Trustee shall be paid by Buyer/Grantor.

128 **Section 9. EVENTS OF DEFAULT.** Time is of the essence of this Deed of Trust and accompanying Promissory Note. A default shall occur under any of
129 the following circumstances:

130 **9.1 TEN-DAY GRACE PERIOD.** If Buyer/Grantor fails to pay any sums due under this Deed of Trust or accompanying Promissory Note following ten
131 (10) days' written demand from Seller/Beneficiary issued after its due date.

132 **9.2 THIRTY-DAY GRACE PERIOD.** If Buyer/Grantor fails to perform any other obligation contained in this Deed of Trust or accompanying Promissory
133 Note within thirty (30) days after written notice from Seller/Beneficiary specifying the nature of the default and what is necessary to cure. If the cure
134 cannot reasonably be completed by Buyer/Grantor within such 30-day period through the exercise of reasonable diligence, the failure by

Buyer Initials ____ / ____ Date _____

Seller Initials ____ / ____ Date _____

135 Buyer/Grantor to commence the required cure within such 30-day period and thereafter to continue the cure with diligence and to complete the cure
136 within ninety (90) days following said written notice from Seller/Beneficiary shall constitute a default.

137 **9.3 BANKRUPTCY; INSOLVENCY.** The commencement by Buyer/Grantor of a voluntary case under the federal bankruptcy laws or under other federal
138 or state law relating to insolvency or debtor's relief; the entry of a decree or order for relief against Buyer/Grantor in an involuntary case under the federal
139 bankruptcy laws or under any other applicable federal or state law relating to insolvency or debtor's relief; the appointment or the consent by Buyer/Grantor
140 to the appointment of a receiver, trustee, or custodian of Buyer/Grantor or of any of Buyer/Grantor's property; an assignment for the benefit of creditors
141 by Buyer/Grantor or Buyer/Grantor's failure generally to pay debts as such debts become due.

142 **9.4 PROHIBITED TRANSFER.** Buyer/Grantor's breach of Section 12, below, shall constitute an immediate event of default hereunder, and
143 Seller/Beneficiary may pursue all available remedies under Section 10, below, without first issuing a 30-day notice to Buyer/Grantor under Section 9.2
144 above.

145 **Section 10. REMEDIES OF DEFAULT.** In the event of a default, Seller/Beneficiary may take any one or more of the following steps:

146 **10.1 ACCELERATION.** Declare the entire balance of the principal and accrued interest, together with all other remaining sums under this Deed of Trust
147 and accompanying Promissory Note, immediately due and payable.

148 **10.2 FORECLOSURE.** With respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, or by judicial
149 foreclosure; in either case in accordance with and to the full extent provided by Oregon law.

150 **10.3 OTHER REMEDIES.** Notwithstanding the preceding, Seller/Beneficiary may exercise any and all remedies available under Oregon law.

151 **Section 11. WAIVER.** Failure of either party at any time to require performance of any provision of this Deed of Trust or accompanying Promissory Note
152 shall not limit the party's right to enforce the provision, nor shall any waiver of any breach of any provision constitute a waiver of any succeeding breach
153 of that provision or a waiver of this provision itself.

154 **Section 12. SUCCESSOR INTERESTS.** This Deed of Trust and accompanying Promissory Note shall be binding upon and inure to the benefit of the
155 parties, their permitted successors, and assigns. However, no interest of Buyer/Grantor in this Deed of Trust, Promissory Note, or the Property, shall be
156 assigned, subcontracted, or otherwise transferred (whether for security purposes or otherwise), voluntarily or involuntarily, without the prior written consent
157 of Seller/Beneficiary, which may be granted or withheld at Seller/Beneficiary's sole discretion. Consent by Seller/Beneficiary to one transfer shall not
158 constitute consent to subsequent transfers or a waiver of this section. Any attempted assignment, sale, or transfer by Buyer/Grantor, in violation of this
159 Section 12, shall be void and of no effect with respect to Seller/Beneficiary and shall constitute an immediate default under this Deed of Trust and
160 accompanying Promissory Note.

161 **Section 13. PRIOR AGREEMENTS.** Except as otherwise provided herein, this Deed of Trust and accompanying Promissory Note is/are the entire, final,
162 and complete agreement(s) of the parties pertaining to the sale and purchase of the Property, and supersede and replace all prior or existing written and
163 oral agreements between the parties relating to the Property.

164 **Section 14. NOTICE.** Any notice under this Deed of Trust or accompanying Promissory Note shall be in writing and transmitted to the party at the address
165 stated herein, or such other address as either party may designate by written notice to the other.

166 **Section 15. APPLICABLE LAW.** This Deed of Trust and accompanying Promissory Note has/have been entered into in the state of Oregon, and the
167 parties agree the laws of Oregon shall be applied in construing and enforcing them.

168 **Section 16. COSTS AND ATTORNEY FEES.** Subject to Buyer/Grantor's rights under Oregon trust deed law, if any litigation or arbitration is brought to
169 enforce or interpret any of the terms of this Deed of Trust or accompanying Promissory Note, or if suit or action is instituted in a Bankruptcy Court for a
170 United States District Court to seek relief from an automatic stay, to obtain adequate protection, or to otherwise assert the interest of Seller/Beneficiary in
171 a bankruptcy proceeding, the party not prevailing shall pay the prevailing party's attorney fees, costs and disbursements upon hearing, trial and any
172 appeal therefrom.

173 **Section 17. SURVIVAL OF COVENANTS.** Any covenants, the full performance of which are not required before Closing, shall survive the Closing, and
174 shall be fully enforceable thereafter in accordance with their terms.

175 **Section 18. ACKNOWLEDGMENT.** Seller/Beneficiary and Buyer/Grantor hereby acknowledge: (a) They were given an opportunity to either use this
176 Deed of Trust and accompanying Promissory Note forms provided by their respective real estate Agent, or have the forms prepared by one or more
177 attorneys of their choice; (b) That by providing these forms, neither the Agents nor the forms provider, Oregon Real Estate Forms, LLC, are engaging
178 in the practice of law; (c) They have elected to use these forms and have had a reasonable opportunity to have them reviewed by attorneys of their
179 choice; (d) Their respective real estate Agents have not rendered any advice or recommendations regarding the specific financial or credit terms
180 of this transaction; (e) They are satisfied with, and understand, the terms contained these forms; and (f) This Deed of Trust and accompanying

Buyer Initials ____ / ____ Date _____

Seller Initials ____ / ____ Date _____

181 Promissory Note shall not be construed more strictly against any one party. This Deed of Trust and accompanying Promissory Note are intended to
182 be a legal and binding agreements. If they are not understood, seek competent legal advice before signing.

183 **Section 19. BUYER/GRANTOR WARRANTY AND REPRESENTATION.** Buyer/Grantor warrants and represents to Seller/Beneficiary the proceeds
184 of the Principal Balance identified in the accompanying Promissory Note are (*select one*): For business purposes only; For personal, consumer,
185 residential or household purposes. (*If left blank the purpose shall be deemed to be for commercial/investment/business purposes only.*) The preceding
186 warranty and representation shall constitute a conclusive presumption for purposes of interpretation and enforcement of this Deed of Trust and
187 accompanying Promissory Note.

188 **Section 20. ORS 93.040(1) DISCLAIMER.** BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE
189 SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO
190 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER
191 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION
192 OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING
193 FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THE
194 UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY
195 THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES,
196 AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300,
197 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855,
198 OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

SAMPLE

Buyer Initials ____ / ____ Date _____

Seller Initials ____ / ____ Date _____

IN WITNESS WHEREOF, the parties have caused this Deed of Trust to be executed below, and it shall become effective as of the date and time of the last party to sign.

BUYER/GRANTOR:

BUYER/GRANTOR:

STATE OF OREGON)
) ss.
County of _____)

BE IT REMEMBERED, That on this ____ day of _____, 20____, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named _____ (Buyer/Grantor(s)) and acknowledged he/she/they executed the foregoing instrument freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Notary Public for Oregon
My Commission Expires: _____

SELLER/BENEFICIARY:

SELLER/BENEFICIARY:

STATE OF OREGON)
) ss.
County of _____)

BE IT REMEMBERED, That on this ____ day of _____, 20____, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named _____ (Seller/Beneficiary(ies)) and acknowledged he/she/they executed the foregoing instrument freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Notary Public for Oregon
My Commission Expires: _____

Buyer Initials ____ / ____ Date _____

Seller Initials ____ / ____ Date _____

Sale Agreement # _____

RESIDENTIAL

EXHIBIT A
(Attach Legal Description)

SAMPLE

Buyer Initials ____ / ____ Date _____

Seller Initials ____ / ____ Date _____