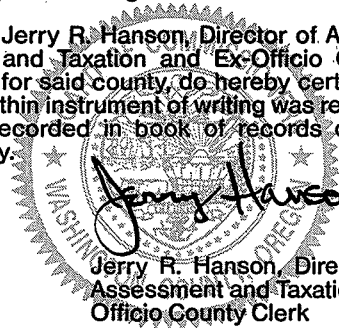


STATE OF OREGON

County of Washington

} SS

I, Jerry R. Hanson, Director of Assessment and Taxation and Ex-Officio County Clerk for said county, do hereby certify that the within instrument of writing was received and recorded in book of records of said county.



Jerry R. Hanson, Director of Assessment and Taxation, Ex-Officio County Clerk

Doc : 95066324

Rect: 150983

33.00

09/19/1995 09:19:14AM

TRUST DEED

THIS TRUST DEED, made this 15th day of September, 1995, XXXXXX, between

F & H INVESTMENT, INC., AN OREGON CORPORATION, as Grantor, STEWART TITLE OF OREGON, as Trustee, and CITY OF SHERWOOD, A MUNICIPAL CORPORATION 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 WASHINGTON County, Oregon, described as:

LOTS 3 and 4, CHARLES BURCK HEIGHTS, IN THE CITY OF SHERWOOD, COUNTY OF WASHINGTON AND STATE OF OREGON.

RECORDED BY STEWART TITLE AS AN ACCOMMODATION ONLY. NO LIABILITY IS ACCEPTED FOR THE CONDITION OF TITLE OR FOR THE VALIDITY SUFFICIENCY OR EFFECT OF THIS DOCUMENT

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 the property.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of TWENTY THOUSAND ONE HUNDRED ELEVEN AND 39/100 (\$20,111.39)

Dollars, with interest thereon according to the terms of a promissory note of even date herewith, 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 18, 1996.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of the note becomes due and payable. Should the grantor either agree to, attempt to, or actually sell, convey, or assign all (or any part) of the property or all (or any part) of 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.

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 thereon; 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 which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefor.
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 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 such other hazards as the beneficiary may from time to time require, in an amount not less than \$... as required written in companies acceptable to the beneficiary, with loss payable to the latter; 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 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.
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 become past due or delinquent and promptly deliver receipts therefor 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 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 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 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 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 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 deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph 7 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.

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, 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,

NOTE: The Trust Deed Act provides that the trustee hereunder must be either an attorney, who is an active member of the Oregon State Bar, a bank, 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 ORS 696.505 to 696.585. \*WARNING: 12 USC 1701j-3 regulates and may prohibit exercise of this option.

\*\*The publisher suggests that such an agreement address the issue of obtaining beneficiary's consent in complete detail.

TRUST DEED

STATE OF OREGON,

County of ... ss.

I certify that the within instrument was received for record on the ... day of ..., 19..., at ... o'clock ... M., and recorded in book/reel/volume No. ... on page ... or as fee/file/instrument/microfilm/reception No. ... Record of ... of said County.

Witness my hand and seal of County affixed.

After Recording Return to (Name, Address, Zip):

THE CITY OF SHERWOOD ATTN: LARRY COLE 90 NW Park St Sherwood, OR 97140

SPACE RESERVED FOR RECORDER'S USE

NAME TITLE By ..., Deputy

RETURN DOCUMENT TO DESIGNEE BELOW



ADDENDUM TO TRUST DEED

DATED SEPTEMBER 14, 1995

SCOTT HOUCK, GRANTOR

CITY OF SHERWOOD, BENEFICIARY

1. The attached Trust Deed is given as security for full performance of the landscaping obligations required and approved by the City of Sherwood on the subdivision known as Charles Burck Heights Subdivision, pursuant to the development compliance agreement and subdivision approval for said subdivision.

2. The attached Trust Deed is also given as security for performance of the subdivision improvement maintenance obligations of the developer pursuant to the development compliance agreement and subdivision approvals.

3. The total costs of landscaping and security for the maintenance for all the 17 lots in the subdivision is \$20,111.39. The beneficiary agrees, upon completion of all landscaping activities and necessary maintenance work to execute, and after 6 months of the maintenance period has passed, a Request for Partial Reconveyance releasing its interest in Lot 3 of the subdivision.

4. Upon full performance of the landscaping requirements and expiration of the required 12 month maintenance period, the City shall execute a Request for Trustee's Deed of Reconveyance of Lot 4.

5. In the event Grantors fail to timely complete the landscaping obligations or to perform the required improvement maintenance obligations, the City of Sherwood may undertake all legal and equitable remedies against Grantor and the real property securing performance to insure payment and completion of the landscaping and public subdivision improvements maintenance.

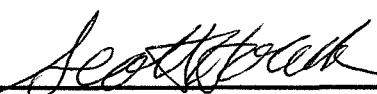
6. This agreement is made contingent upon receipt of title insurance indicating that the city's trust deed herein conveyed is ahead of any other subdivision financing or security interest of record against lots 3 and 4, including construction liens of any unpaid contractor and/or subcontractor doing subdivision improvement and/or site work.

7. The cities attorney, Derryck Dittman shall be the trustee for the trust deed.

CITY OF SHERWOOD

By:   
Larry Cole, City Manager

CHARLES BURCK HEIGHTS

  
Scott Houck, Grantor

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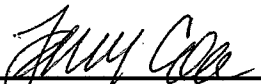
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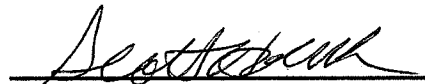
CITY OF SHERWOOD

CHARLES BURCK HEIGHTS

By:



Larry Cole, City Manager



Scott Houck, Grantor