


93440 01-10-95P02:15 RCVD

TRUST DEED

Vol. m95 Page 697 

THIS TRUST DEED, made this 5th day of January 1995, between
GWEIN M. LEWIS-KERSTETTER
BEND TITLE COMPANY
JOHN L. O'LEARY
WITNESSETH
as Grantor,
as Trustee, and
as Beneficiary.

WITNESS ETH:

WITNESSETH:
 Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in
 DESCUTES County, Oregon, described as:

LEGAL DESCRIPTION IS ATTACHED AS EXHIBIT "A"

Tax #2310-01600-00200 and X-19087

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 the property.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of TWENTY THOUSAND AND NO/100-----

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 January 1, 1997.

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. The execution by grantor of an earnest money agreement* does not constitute a sale, conveyance,

To protect the security of this trust deed, grantor agrees:

- 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 insurable value 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 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 under any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, under or invalidate any act done pursuant to such notice, shall not cure or waive any default or notice of default hereunder.
 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 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, able 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 or trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph 7 in all cases shall be filed in 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 sums 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:

NOTE: The Trust Deed Act provides that the trustee has the right to take possession of the property of the trust if the beneficiary or beneficiaries of the trust are not entitled to the property of the trust.

NOTES: 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 in this state, or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.585. *WARNING: 12 USC 1701j-3 requires and may prohibit execution of this opinion. **The publisher suggests that such an agreement address the issue of obtaining beneficiary's consent in complete detail.

TRUST DEED

GWEN M. LEWIS-KESTETTER
1028 NE 9th Street
Bend, OR 97701

Grants

JOHN K. O'LEARY
1223 NW Summit
Bend, OR 97701

Beneficiary

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

BEND TITLE COMPANY
1195 NW Wall Street
Bend, OR 97701

SB7395CD

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.

NAME _____

TITLE

By _____, Deputy



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 the beneficiary and applied by it 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; and 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 deed and the acts for endorsement (in case of full reconveyance, 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; (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's fees for any of the services mentioned in this paragraph shall be not less than \$5.

10. Upon any default by grantor hereunder, trustee 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's fees upon any indebtedness secured hereby, and such order as the 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 award of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any sum secured hereby immediately being of the essence with respect to such payment, 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 shall deliver a written notice of default and election to sell the property to satisfy the obligation secured hereby whereupon the trustee shall file a notice of sale in the county of Deschutes, Oregon, in accordance with the provisions of ORS 86.735 to 86.79.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 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, any sum 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 sum or sums as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the sum or sums required under the obligation or trust deed. In any case, in addition to curing the default, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided by law.

14. 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 the sale may be postponed as provided by law. The trustee may sell the 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 form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the power provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority, and (4) the balance, if any, to the grantor or to any successor in interest entitled to such surplus.

16. 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.

17. Trustee accepts this deed as 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.

The grantor covenants and agrees to and with the beneficiary and the beneficiary's successor in interest that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto.

and that the grantor will warrant and forever defend the same against all persons whomsoever.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:

(a)* primarily for grantor's personal, family or household purposes (see Important Notice below).
(b) for an organization, even if grantor is a natural person, for business or commercial purposes.
This 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, of the contract secured hereby, whether or not named as a beneficiary herein.

In construing this trust deed, it is understood that the grantor, trustee and/or beneficiary may each be more than one person; that 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 the day and year first above written.

Gwen M. Lewis-Kerstetter
Gwen M. Lewis-Kerstetter

* IMPORTANT NOTICE: Delete, by striking out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor as such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose use State-Ness Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

STATE OF OREGON, County of Deschutes

This instrument was acknowledged before me on

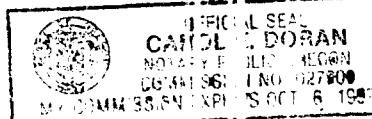
by GWEN M. LEWIS-KERSTETTER

This instrument was acknowledged before me on

by

as

of



Carol E. Doran
Carol E. Doran

Notary Public for Oregon
My commission expires 10-6-97

REQUEST FOR FULL RECONVEYANCE (To be used only when obligations have been paid.)

TO:

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

DATED:

Do not lose or destroy this Trust Deed OR THE NOTE which it secures. Both must be delivered to the trustee for cancellation before reconveyance will be made.

Beneficiary

EXHIBIT "A" LEGAL DESCRIPTION

A parcel of land situated in the E 1/2 N 1/2 N 1/2 NW 1/4 SE 1/4 of Section 16, Township 23 South, Range 10 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a point, the East center 1/16 corner of section 16; thence along the East 1/16 Section Line, South 00 degrees 2' 19" West 25.30 feet to a point; thence South 88 degrees 20' 24" West 660.62 feet to a #5 plastic-capped steel rod; thence North 01 degrees 43' 05" East 322.46 feet to a point along the center quarter section line; thence along said center quarter line, North 88 degrees 02' 40" East 651.66 feet to the point of beginning. Bearings based on Minor Partition No. 81-125.

STATE OF OREGON: COUNTY OF KLAMATH ss.

Filed for record at request of Mountain Title Co the 10th day
of Jan A.D., 19 95 at 2:15 o'clock P. M., and duly recorded in Vol. M95
of forgages on Page 197.

Bernetha G. Letsch County Clerk

FEE \$20.00

By Caroline Miller