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ASPEN 6893 FORM No. 891 - TRUST DEED (Assignment Restricted).		COPYHIGHT 1999 STRVENSIN	ESS LAW PUBLISHING CO., PORTLAND, OR \$7204	
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TRUST DEED		STATE OF OREGON		
Margaret Grace Doug & Sandra Bailey PO Box 63 Sprague Rive Robert & Joan Deurloo 11 Deurloo Lane Salmon 100 Norman 100 100 100 100 100 100 100 100 100 10	er OR Space reserved For Recorder's use	received for recording at o'clobook/reel/volume No and/or as fee/file/in No, Reco	the within instrument was g on, not, which, M., and recorded in, on page, strument/microfilm/reception ords of this County.	
PO Box 1227 Salmon ID 83467	. (By	TITLE , Deputy.	
THIS TRUST DEED, made on April 28, 2006 , between MARGARET GRACE, A SINGLE PERSON, AND DOUGLAS H. BAILEY AND SANDRA A BAILEY husband and wife, as Grantor, as Trustee, and ROBERT DEURLOO AND JOAN DEURLOO, Husband and wife, as Beneficiary,				
Grantor irrevocably grants, bargains, sells a Klamath County, Oregon, de	WITNESSETH: and conveys to trust scribed as:			
SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF AS IF SET FORTH AT THIS POINT IN FULL.				

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 con-

hereof, 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.

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 laxes, assessments and other charges becomes past due or delinquent and promptly deliver receipts herefor 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. 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 and shall constitute a breach of 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 any suit for the foreclosure of this deed or any suit or action

NOTE: The Trust Deed Act provides that the trustee hereunder must be either an attorney who is an active member of the Gregon 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 little insurance company authorized to insure little to real property of this state, its substidiaries, artillates, agents or branches, the United States or any agency thereof, or an ecrow agent licensed under OR\$ 565.505 to 695.585.

*WARNING: 12 USC 1701;3 regulates and may prahibit exercise of this option.

*The publisher suggests that such an agreement actives the laws of obtaining beneficiary's consent in complete detail.

9. At any time, and from time to time upon writter, request of beneficiary, payment of its fees and presentation of this 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, truster 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; (o) ion any subordination or oilous agreement affecting this deed of the lien or charge theroof; 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, 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 bereby secured, enter upon and take possession of the property, he such sepast 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, he collection of south 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 or release thereof as aforesaid, shall not cure or waive any default or invalidate any act done pursuant to such notice.

12. Upon default between, or invalidate any act done pursuant to such notice.

13. After the trustee or such payment and/or performance, the beneficiary may be declar the summer deal or performance, the beneficiary and the constitution of the propert

sequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority; and (4) the surplus, it any, to the grantor, of the 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 tide, 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 trust when this deed, duly executed and acknowledged, smade 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 is brought by trustee.

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, unenounbered title thereto, except as may be set forth in any addendum or exhibit altached hereto, and that the grantor will warrant and forever defend the same against all persons whomsoever.

WARNING: Unless grantor provides beneficiary with evidence of insurance coverage as required by the contract or loan agree-

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

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

(a) primarily for grantor's personal, family or household purposes (see Important Notice below).

(b) for an organization, or (even if grantor is a natural person) are for business of 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 constraint this trust deed it is not dead it is not dead.

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 the day and year first *IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is inapplicable. 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 Stevens-Ness Form No. 1319, or the equivalent. If compliance with the Act is not required, disregard this notice. Margaret Sandla U. K STATE OF OREGON, County of Klamaun Mou This instrument was acknowledged before me on MOLLS archa Barler

OFFICIAL SEAL DENEE MORTENSEN NOTARY PUBLIC-OREGON COMMISSION NO. 386341	Notary Publication Oregon My commission expires
TOWNER THE PROGRAMME	(To be used only when obligations have been paid.)

Toustee

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.

nated by the terms of the trust deed, the estate now held by you under the same. Mail the reconveyance and documents to

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

EXHIBIT "A"

GRACE AND BAILEY TO DEURLOO

In the following described properties the parcels are vested as follows:

Parcels 1, 2, 3 and 4 are vested in the name of MARGARET GRACE, A SINGLE PERSON.

Parcel 5 is vested in the names of DOUGLAS H. BAILEY AND SANDRA A. BAILEY, HUSBAND AND WIFE,

PARCEL 1:

Lot 21, Block 44, FIRST ADDITION TO KLAMATH FOREST ESTATES, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

CODE 008 MAP 3510-028DO TL 03900 KEY #272564

PARCEL 2:

Lot 22, Block 44, FIRST ADDITION TO KLAMATH FOREST ESTATES, according to the official plat thereof on file In the office of the Clerk of Klamath County, Oregon.

CODE 229 MAP 3510-028CO TL 01000 KEY #272573

PARCEL 3:

Lot 6, Block 35, FIRST ADDITION TO KLAMATH FOREST ESTATES, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

CODE 008 MAP 3510-028AO TL 03000 KEY #271896

PARCEL 4:

Lot 31, Block 15, KLAMATH FOREST ESTATES, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

CODE 008 MAP 3510-023BO TL 02100 KEY #264378

PARCEL 5:

Lot 21, Block 43, FIRST ADDITION TO KLAMATH FOREST ESTATES, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

CODE 229 MAP 3510-028CO TL 00600 KEY #272252