

2010-000065

Klamath County, Oregon



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01/05/2010 08:14:14 AM

Fee: \$47.00

Grantor:

Kevin Palotay
2579 NE Longfellow Ct.
Bend, OR 97701

Grantee:

Susan Mandlin
10624 9th Ave. Ct. S.
Tacoma, WA. 98444

After Recording, Return to:

Kevin Palotay
2579 NE Longfellow Ct.
Bend, OR 97701

Until requested otherwise, send all tax statements to:

Kevin Palotay
2579 NE Longfellow Ct.
Bend, OR 97701

TRUST DEED

THIS TRUST DEED is between KEVIN PALOTAY, Grantor, Amerititle, 15 Oregon Ave., Bend, Oregon 97701, as Trustee, and Susan Mandlin, Beneficiary. Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in Klamath County, Oregon, described as:

Lot 63 Block 1 Tract 1098, Split Rail Ranchos, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor herein contained and payment of the sum of \$17,000.00, with interest thereon according to the terms of a promissory note dated December 22, 2009 payable to beneficiary. The date of maturity of the debt secured by this instrument is the date on which the final installment of said note becomes due and payable according to the aforementioned promissory note. In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned, or alienated by the grantor without first having obtained 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 (including successors and heirs of Grantor) agrees:


1. 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 hereby secured, enter upon and take possession of said 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 in such order as beneficiary may determine.

2. 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.

3. 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.

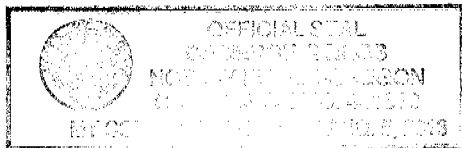
The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a beneficiary herein.

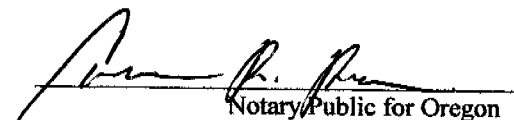
IN WITNESS WHEREOF, said grantor has hereunto set his hand the day and year first above written.


Kevin Palotay

STATE OF OREGON, County of Deschutes,) ss.

This instrument was acknowledged before me on December 31st, 2009,
by Kevin Palotay.




Notary Public for Oregon

My commission expires: 08/05/2013

NOTE SECURED BY DEED OF TRUST

PROMISOR:

Kevin Palotay
2579 NE Longfellow Ct.
Bend, OR. 97701

PROMISEE:

Susan Mandlin
10624 9th Ave. Ct. S.
Tacoma, WA 98444

FOR VALUE RECEIVED, the undersigned Promisor promises to pay in lawful money of the United States to the order of Beneficiary the principal sum of \$17,000.00, together with interest as provided below, in principal installments as follows: This NOTE SECURED BY DEED OF TRUST is in addition to the one that was filed in September of 2008. This note is secured by a deed of trust with the following legal description:

Lot 63 Block 1 Tract 1098 Split Rail Ranchos, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Promisor shall make payments of \$500.00 a month on the 10th of every month starting March 10, 2010 until the full value of the \$17,000.00 is paid.* The monthly payment shall be inclusive of an interest rate of 12% per annum, which shall be effective until this Note is fully paid.

*This amount is for the current note only and does not take into consideration the previous note recorded in September of 2008.. The total of both payments due is \$ 1000.00 per month. The interest rate shall remain consistent. . The total principal amount due Susan Mandlin at this time is the total of both of the NOTES SECURED BY DEED OF TRUST, or \$ 34,200.00.

This note may be prepaid, in whole or in part, without penalty.

If any payment due pursuant to this note is not made when due, then at the option of the holder of this note the entire indebtedness represented by this note, upon ten (10) days' written notice to the undersigned, shall immediately become due and payable and thereafter shall bear interest at the rate of 12% per annum, provided such interest rate shall not exceed the maximum rate permitted by law. Failure or delay of the holder to exercise this option shall not constitute a waiver of the right to exercise the option in the event of subsequent default or in the event of continuance of any existing default after demand for the performance of the terms of this note.

The undersigned shall pay upon demand any and all expenses, including reasonable attorney fees, incurred or paid by the holder of this note without suit or action in attempting to collect funds due under this note. In the event an action is instituted for the collection of this note, the prevailing party shall be entitled to recover, at trial or on appeal, such sums as the court may adjudge reasonable as attorney fees, in addition to costs and necessary disbursements.

The undersigned and his successors and assigns hereby waive presentment for payment, notice of dishonor, protest, notice of protest, and diligence in collection, and consent that the time of payment on any part of this note may be extended by the holder without otherwise modifying, altering, releasing, affecting, or limiting their liability.

Dated December 31st, 2009.


KEVIN PALOTAY