

K-37233

Recording Requested by and
When Recorded Return to:Shearson/American Express
Mortgage Corporation

1300 SW 5th Suite 2200

Portland, Ore 97201

Attention: S. Graham
Title Order No: K37233/841629

Space Above for Recorder's Use

Loan No. 814533 4

DEED OF TRUST AND REQUEST FOR NOTICE OF DEFAULT

THIS DEED OF TRUST is made this 20th day of August, 19 84, by and among the
GLEN J. MC GUIRE AND PATRICIA J. MC GUIRE, an estate in fee simple as
 tenants by the entirety
 Trustor (the "Trustor") whose mailing address is 3889 Rio Vista Klamath Falls, Ore 97603

the Trustee, FIRST AMERICAN TITLE INSURANCE CO (the "Trustee"), and the Beneficiary, Shearson/American Express
 Mortgage Corporation ("Shearson Mortgage"), a corporation organized and existing under the laws of the State of Delaware, whose address is
 1201 E. Highland Avenue, San Bernardino, California 92404.

1. The Agreement. Trustor and Shearson Mortgage have entered into a "Shearson Key Client Credit Account Agreement" of even date
 herewith, as now existing or hereafter amended (the "Agreement"), pursuant to which Shearson Mortgage has established for Borrower's benefit
 (as the term "Borrower" is defined below) a credit account with Shearson Mortgage (the "Credit Account"). The Agreement that is secured by
 this Deed of Trust contains provisions regarding, among other things, advances, the revolving nature of credit, use of proceeds, promise to pay,
 payment of a balloon payment, maintenance of certain equity in the Securities Account, maximum amounts of credit outstanding, loan advance
 procedures, the variable interest rate and other finance charges. The Agreement is incorporated herein by this reference and is made a part of
 this Deed of Trust. All capitalized terms contained in this Deed of Trust, unless otherwise specifically defined, have the same meaning as in the
 Agreement.

2. Security. In consideration of Shearson Mortgage extending credit pursuant to the Agreement, Trustor irrevocably grants and conveys
 to Trustee, in trust, with power of sale, the following described property located in the County of KLAMATH, State
 of Oregon:
Lot 3, in Block 13 of Tract No. 1079, Sixth Addition to Sunset Village,
according to the official plat thereof on file in the office of the County,
Oregon

which has the property address of: 3889 Rio Vista
35° 00' 00"

(Street)

Klamath Falls, Oregon 97603

(City)

(State and Zip Code)

TOGETHER with all improvements now or hereafter erected on such property, and all easements, rights, appurtenances, rents (subject, however, to the rights and authorities given under this Deed of Trust, to Shearson Mortgage to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights and water stock and all fixtures now or hereafter attached to such property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with such property (or the leasehold estate, if this Deed of Trust is on a leasehold), are referred to in this Deed of Trust as the "Property";

TO SECURE to Shearson Mortgage (a) the repayment of all loan advances and all other amounts owed to Shearson Mortgage under the Agreement, which Agreement provides for the making of certain loan advances by Shearson Mortgage to (collectively, the "Borrower") in an amount not at any time exceeding \$ 22,000.00 in the aggregate, in accordance with the terms thereof; (b) the performance by Borrower of all of Borrower's other obligations under the Agreement; (c) the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust; and (d) the performance by Trustor of all of Trustor's obligations contained in this Deed of Trust.

3. **Charges; Liens.** Trustor will pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, as well as all leasehold payments or ground rents, if any, attributable to the Property, and the Trust will promptly furnish Shearson Mortgage with receipts of those payments. Trustor will promptly discharge any lien other than the lien of any Deed of Trust senior to this Deed of Trust that is (are) identified on Exhibit "B" hereto, which Exhibit "B" is incorporated herein by this reference and made a part of this Deed of Trust; provided, that Trustor will not be required to discharge any such lien so long as Trustor agrees in writing to the payment of the obligation secured by such lien in a manner acceptable to Shearson Mortgage, or will in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

4. **Ownership of the Property.** Trustor warrants and represents that Trustor lawfully owns the Property and has the right to grant and convey the Property under this Deed of Trust; that except as set forth in Exhibit "B" hereto, the Property is unencumbered; and that Trustor will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Shearson Mortgage's interest in the Property.

Trustor warrants that the Property is not now used for agricultural, timber or grazing purposes, and will not be so used so long as this Deed of Trust is in effect.

5. **Hazard Insurance.** Trustor will keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards that Shearson Mortgage may require and in the amounts and for the periods that Shearson Mortgage may require; provided, that Shearson Mortgage shall not require that the amount of such coverage exceed that amount of coverage required to pay the total of (a) the maximum credit available under the Agreement and (b) the aggregate unpaid balance(s) of all of the deed(s) of trust and other liens identified in Exhibit "B" hereto.

Trustor may obtain the insurance from the insurance carrier of Trustor's choice, subject to Shearson Mortgage's approval. Shearson Mortgage's approval will not be unreasonably withheld. All premiums on insurance policies shall be paid directly to the insurance carrier.

All insurance policies and policy renewals shall be in form acceptable to Shearson Mortgage and shall include a standard mortgage clause in favor of and in form acceptable to Shearson Mortgage. Shearson Mortgage shall have the right to hold the policies and policy renewals, and Trustor will promptly furnish Shearson Mortgage with all renewal notices and all receipts of premiums paid. In the event of loss, Trustor will notify the insurance carrier and Shearson Mortgage promptly. Shearson Mortgage may make proof of loss if not made promptly by Trustor.

Unless Shearson Mortgage otherwise agrees with Trustor in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided that the restoration or repair is economically feasible and would not impair the security of this Deed of Trust. If restoration or repair is not economically feasible or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust with the excess, if any, paid to Trustor. If Trustor abandons the Property, or if Trustor fails to respond to Shearson Mortgage within thirty (30) days from the date Shearson Mortgage mails the notice to Trustor that the insurance carrier has offered to settle a claim for insurance benefits, Trustor authorizes Shearson Mortgage to collect and apply the insurance proceeds at Shearson Mortgage's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Shearson Mortgage otherwise agrees with Trustor in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payment (including the final payment due on the Maturity Date) owing under the Agreement or change the amount of any such payments. If, under Paragraph 17, Shearson Mortgage acquires the Property, all of Trustor's right, title and interest in and to any insurance policies and in and to the proceeds of those policies resulting from damage to the Property prior to the sale or acquisition shall pass to Shearson Mortgage to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.

6. **Preservation, Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Trustor agrees that Trustor will keep the Property in good repair and will not commit waste or permit impairment or deterioration of the Property and will comply with the provisions of any lease if this Deed of Trust is on a leasehold. If this Deed of Trust is on a unit in a condominium or a planned unit development, Trustor will perform all of Trustor's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the bylaws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Trustor and recorded together with this Deed of Trust, the covenants and agreements of that rider shall be incorporated into and shall amend and supplement this Deed of Trust as if the rider were a part hereof.

7. **Protection of Security.** If Trustor fails to perform any of Trustor's obligations contained in this Deed of Trust, or if any action or proceeding is commenced which materially affects Shearson Mortgage's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement or arrangements or proceedings involving a bankrupt or decedent, then Shearson Mortgage may, at its option, upon notice to Trustor, make such appearances, disburse such sums and take such action as is necessary to protect its interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs. Trustor further agrees to reimburse Shearson Mortgage should it obtain title endorsements or similar guarantees to maintain its lien priority on the Property.

Any amounts disbursed by Shearson Mortgage pursuant to this Paragraph, with interest thereon, shall become additional indebtedness secured by this Deed of Trust. Unless Shearson Mortgage agrees with Trustor to other terms of payment, such amounts shall be payable upon notice from Shearson Mortgage to Trustor requesting payment thereof, and shall bear interest from the date of disbursement at the rate(s) from time to time payable under the Agreement, unless payment of interest at such rate(s) would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this Paragraph shall require Shearson Mortgage to incur any expense or take any action hereunder.

8. **Inspection.** Shearson Mortgage may make or cause to be made reasonable entries upon and inspections of the Property, provided that Shearson Mortgage shall give Trustor notice prior to any such inspection specifying reasonable cause therefor related to Shearson Mortgage's interest in the Property.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Shearson Mortgage.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust with the excess, if any, paid to Trustor. In the event of a partial taking of the property, unless Shearson Mortgage has otherwise agreed with Trustor in writing, there shall be applied to the sums secured by this Deed of Trust such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Deed of Trust immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Trustor.

If Trustor abandons the Property or if, after Shearson Mortgage gives Trustor notice that the condemnor offers to make an award or settle for damages, Trustor fails to respond to Shearson Mortgage within thirty (30) days after the date such notice is mailed, Shearson Mortgage is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Shearson Mortgage has otherwise agreed with Trustor in writing, such application of proceeds to principal shall not extend or postpone the due date of any payment (including the final payment due on the Maturity Date) owing under the Agreement or change the amount of any such payments.

10. **Extension Not a Release.** If Shearson Mortgage grants an extension of the time for payment of the sums secured by this Deed of Trust to anyone who is Trustor's successor in interest, extension shall not operate to release in any manner Trustor's liability or the liability of Trustor's successors in interest. Shearson Mortgage shall not be required to (a) commence proceedings against such successor or (b) refuse to extend time for payment of the sums secured by this Deed of Trust by reason of any demand made by Trustor or Trustor's successors in interest.

11. **Forbearance Not a Waiver.** Any forbearance by Shearson Mortgage in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Shearson Mortgage shall not be a waiver of Shearson Mortgage's right to accelerate the maturity of the indebtedness secured by this Deed of Trust.

12. **Remedies Cumulative.** All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust or the Agreement or afforded by law or equity and may be exercised concurrently, independently or successively.

13. **Successors and Assigns Bound; Captions.** The agreements contained in this Deed of Trust shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Shearson Mortgage and Trustor, subject to the provisions of Paragraph 16. The captions and headings of the paragraphs of this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

14. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Trustor provided for in this Deed of Trust shall be given by mailing the notice by certified mail, return receipt requested, addressed to Trustor at the Property address stated above or to such other address as Trustor may designate by notice to Shearson Mortgage as provided in this Paragraph, and (b) any notice to Shearson Mortgage shall be given by certified mail, return receipt requested, to Shearson Mortgage's address stated above or to such other address as Shearson Mortgage may designate by notice to Trustor as provided in this Paragraph. Any notice provided for in this Deed of Trust shall be deemed to have been given to Trustor or Shearson Mortgage when given in the manner designated in this Paragraph.

15. **Governing Law; Severability; Conflicts.** This Deed of Trust shall be governed by the law of the jurisdiction in which the Property is located, provided that this provision shall not limit the applicability of Federal law. In the event that any provision of this Deed of Trust conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust which can be given effect without the conflicting provision, and to this end the provisions of this Deed of Trust are declared to be severable and separately enforceable. In the event of any conflict between the provisions appearing on other documents executed in connection with the Credit Account described in the Agreement, the terms of the Agreement shall govern.

16. **Transfer of the Property; Acceleration.** If Trustor sells or transfers all or any part of the Property, or any interest therein, without Shearson Mortgage's prior written consent, Shearson Mortgage may, at its option and without notice, declare all sums secured by this Deed of Trust to be immediately due and payable. If Trustor fails to pay Shearson Mortgage all such sums immediately upon such declaration, Shearson Mortgage may invoke, without further notice or demand, any of the remedies provided for in this Deed of Trust, the Agreement or otherwise by law.

17. **Acceleration; Remedies.** If any loan advance or any other amount owed to Shearson Mortgage under the Agreement is not paid when due, or if Borrower breaches any other provision of the Agreement, or if Trustor fails to pay any sum, with interest thereon, advanced in accordance with this Deed of Trust to protect the security of this Deed of Trust or if Trustor fails to perform any of Trustor's obligations or otherwise breaches any provision of this Deed of Trust, Shearson Mortgage may, at its option and without notice, declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand, and Shearson Mortgage may invoke the power of sale and any other remedies permitted by applicable law. Shearson Mortgage shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Paragraph, including, but not limited to, court costs and reasonable attorneys' fees.

If Shearson Mortgage invokes the power of sale, Shearson Mortgage shall execute or cause Trustee to execute a written notice containing all information required by law, including specification of the occurrence of an event of default and of Shearson Mortgage's election to sell the Property to satisfy Trustor's obligation and shall cause such notice to be recorded in each county in which the Property or some part thereof is located. Shearson Mortgage or Trustee shall mail or serve copies of such notice in the manner prescribed by applicable law to Trustor and to all other persons prescribed by applicable law. Trustee shall give public notice of sale in the manner prescribed by applicable law. After the lapse of such time as may be required by applicable law, Trustee or Trustee's attorney, without demand on Trustor, shall sell the Property at public auction to the highest bidder for cash at the date, time and place designated in the notice of sale, in one or more parcels as Trustee may determine. Trustee may postpone the sale by public announcement at the time and place designated in the notice of sale in accordance with applicable law. Shearson Mortgage or its designee may purchase the Property at any sale.

Upon the receipt of payment from the purchaser, the Trustee shall deliver to the purchaser Trustee's deed conveying the interest in the Property so sold which Trustor had, or had the power to convey, at the time of the execution by him of this Deed of Trust, together with any interest the Trustor or his successors in interest acquire after the execution of this Deed of Trust. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein when recorded in the county or counties in which the Property is situated. Trustee shall apply the proceeds of the sale as follows: (a) to the expenses of the sale, including the compensation of the Trustee and a reasonable charge by the attorney; (b) to the obligation secured by this Deed of Trust; (c) to all persons having recorded liens subsequent to the interest of the Trustee in this Deed of Trust in the order of their priority; and (d) the surplus, if any, to the Trustor or to his successor in interest entitled to such surplus.

In the event Shearson Mortgage invokes the power of sale in the manner set forth above, you may at any time prior to five days before the sale date pay to Shearson Mortgage the entire amount then due under the terms of this Deed of Trust (including costs and expenses actually incurred in enforcing the terms of this agreement, and Trustee's and attorneys' fees not exceeding amounts provided by law), other than such portion of the principal as would not then be due had not default occurred, and thereby cure the default, in which case all foreclosure proceedings shall be dismissed by the Trustee and this Deed of Trust shall be reinstated as if no acceleration had occurred.

18. **Assignment of Rents; Appointment of Receiver; Shearson Mortgage in Possession.** As additional security hereunder, Trustor hereby assigns to Shearson Mortgage the rents and profits of the Property, provided that Trustor shall, prior to an acceleration of the sums secured by this Deed of Trust or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon an acceleration of the sums secured by this Deed of Trust or abandonment of the Property, Shearson Mortgage, in person or by agent, the Trustee or a judicially appointed receiver shall be entitled to enter upon, take possession of, operate and manage the Property and to collect the rents and profits of the Property including those past due. All rents collected by Shearson Mortgage, the Trustee or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Deed of Trust. Shearson Mortgage, the Trustee or the receiver shall be liable to account only for those rents actually received.

19. **Reconveyance.** Upon payment of all sums secured by this Deed of Trust, Shearson Mortgage shall request Trustee to reconvey the Property and shall surrender this Deed of Trust to Trustee. Trustee shall reconvey the Property to the Trustor or the person or persons legally entitled thereto. Such person or persons shall pay all costs of recordation together with Trustee's reconveyance or other release fees.

20. **Substitute Trustee.** Shearson Mortgage may, from time to time, by instrument in writing, substitute a successor or successors to any Trustee, which instrument executed and acknowledged by Shearson Mortgage and recorded in the office of the Recorder of the county or counties where the Property is situated, shall be conclusive proof of the proper substitution of such successor trustee or trustees, who shall, without conveyance from the predecessor trustee, succeed to all its title, estate, rights, powers and duties. The procedure herein provided for substitution of trustees shall be exclusive of other provisions for substitution permitted by applicable law.

21. **Requests for Notices.** Trustor requests that copies of any notice of default and sale be sent to the Property address or Trustor's address for notices as designated by Trustor in accordance with Paragraph 14 shown above.

22. **Statement of Obligation.** Shearson Mortgage may collect a fee of the greater of \$50 or such other maximum amount as from time to time may be allowed by law for furnishing any statement of obligation, beneficiary's statement or similar document.

23. **Default on Senior Deed of Trust.** Trustor agrees to comply with all the terms and conditions of any deed of trust ("Senior Deed of Trust") prior and senior to the lien of this Deed of Trust. If Trustor defaults under any Senior Deed of Trust, Trustor's default shall constitute a default under this Deed of Trust and shall entitle Shearson Mortgage, at its option, to exercise any and all rights and remedies it has in the event of a default under this Deed of Trust. In the event of a default on any Senior Deed of Trust, Shearson Mortgage may, at its option, pay on Trustor's account any sums required to cure the default, foreclose on the Property either concurrently with the Senior Deed of Trust or, upon cure of default on this Deed of Trust, redeem the Property from the lien of the Senior Deed of Trust pursuant to applicable law or bid at the foreclosure sale on the Senior Deed of Trust. Any sums advanced by Shearson Mortgage to cure Trustor's default on the Senior Deed of Trust shall be paid to Shearson Mortgage on demand, shall bear interest at the rates from time to time payable under the Agreement and shall be secured by this Deed of Trust.

24. **Applicability of Federal Law in Connection with Transfer of Property.** Anything herein to the contrary notwithstanding, the provisions of Paragraph 16 of this Deed of Trust shall be subject to Federal law including, without limitation, the provisions of 12 U.S.C. 1701j-3 (as now existing or hereafter amended), and any rules or regulations now or hereafter promulgated thereunder.

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust.

Glen J. McGuire
Glen J. McGuire

Patricia J. McGuire
Patricia J. McGuire

STATE OF Oregon

COUNTY OF Klamath

On this 20th day of August, 1984, Glen J. McGuire and Patricia J. McGuire personally appeared before me, the undersigned, a Notary Public in and for said State, on the basis of satisfactory evidence) to be the person s whose name s they executed the same. subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.

Carolyn De Voe
Notary Public in and for said State
My commission expires 3-20-85

Request For Notice Of Default

Request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust or Mortgage recorded 5-16-75 in Book Vol M75, Page 5336, Official Records of Klamath County, Oregon (executed by Stephen L. Buhrig & Linda S. Buhrig as Trustor, in which Department of Veterans' Affairs is named as Beneficiary, and as Trustee, be mailed to Shearson/American Express Mortgage Corporation, at

Signed By S. Graham 1201 E. Highland Ave Suite D San Bernardino, Calif 92402

S. Graham - Admin. Assistant

STATE OF Oregon

14489

COUNTY OF Multnomah

On this 16th day of August, before me, the undersigned, a Notary Public in and for said State, personally appeared S. Graham, known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged that she executed the same.

WITNESS my hand and official seal.

Notary Public in and for said State 2-13-88

MY COMMISSION EXPIRES:

REQUEST FOR RECONVEYANCE

TO: TRUSTEE

The undersigned is the holder of the Shearson Key Client Credit Account Agreement ("Agreement") secured by this Deed of Trust. The obligation evidenced and secured by the Agreement, together with all other indebtedness secured by this Deed of Trust, has been paid in full. You are hereby directed to cancel this Deed of Trust, which is delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

Dated _____

EXHIBIT B
(Prior Encumbrances and Other Liens)

14490

Mortgage, including the terms and provisions thereof, executed by Stephen L. Bugrig & Linda S. Buhrig, husband and wife, to State of Oregon, represented and acting by the Director of Veterans' Affairs, dated May 16, 1975, recorded May 16, 1975, in Volume M75 page 5336, Mortgage Records of Klamath County, Oregon to secure the payment of a promissory note dated May 16, 1975, in the amount of \$35,105.

By agreement recorded October 27, 1983, in Volume M83 page 18543, mortgage records of Klamath County, Oregon, between McGuire's & Department of Veterans' Affairs, said parties approve and agree to the assumption of said mortgage.

STATE OF OREGON,)
County of Klamath)

Filed for record at request of

on this 22 day of Aug. A.D. 19 84
at 11:12 o'clock A M, and duly
recorded in Vol. M84 of Mortgages
Page 14485

EVELYN BIEHN, County Clerk

By Dan Smith Deputy

Fee 24.00