

AMERICAN SAVINGS BANK, F.A. ("Beneficiary") is the owner and holder of the Note secured by the Deed of Trust, dated AUGUST 16, 1994, made by MICHAEL A. LOCKREM AND DEBORA A. LOCKREM, HUSBAND AND WIFE as Grantor(s), to FIRST AMERICAN TITLE INSURANCE COMPANY OF OREGON as Trustee, for the benefit of DIRECTORS MORTGAGE LOAN CORPORATION, which Deed of Trust was recorded on AUGUST 23, 1994, under Auditor's Book M94, at Page 26100, File No. 86508, in the Office of the KLAMATH County Auditor, OREGON, the originals of which are herewith delivered to AMERITITLE.

MT 1396 - 8283
SUBSTITUTION OF TRUSTEE,
REQUEST FOR RECONVEYANCE
and DEED OF FULL RECONVEYANCE

97 MAY 21 P 3:33

AMERICAN SAVINGS BANK, F.A. ("Beneficiary") is the owner and holder of the Note secured by the Deed of Trust, dated AUGUST 16, 1994, made by MICHAEL A. LOCKREM AND DEBORA A. LOCKREM, HUSBAND AND WIFE as Grantor(s), to FIRST AMERICAN TITLE INSURANCE COMPANY OF OREGON as Trustee, for the benefit of DIRECTORS MORTGAGE LOAN CORPORATION, which Deed of Trust was recorded on AUGUST 23, 1994, under Auditor's Book M94, at Page 26100, File No. 86508, in the Office of the KLAMATH County Auditor, OREGON, the originals of which are herewith delivered to AMERITITLE.

Beneficiary hereby substitutes AMERITITLE as Trustee in lieu of the above names Trustee under said Deed of Trust and directs AMERITITLE to reconvey without warranty the Trustee's estate to the parties entitled to it upon full payment of AMERITITLE trustee's reconveyance fee. The Deed of Trust has been fully paid and is hereby satisfied. AMERITITLE is directed to cancel all evidence of indebtedness secured by the Deed of Trust.

AMERITITLE hereby accepts said appointment as Trustee under said Deed of Trust and, as Successor Trustee, pursuant to the request of said beneficiary and in accordance with the provisions of said Deed of Trust does hereby reconvey, without any covenant or warranty, express or implied, to the person or persons legally entitled thereto, all of the estate held by the undersigned under said Deed of Trust.

IN WITNESS WHEREOF, AMERITITLE has caused these presents to be executed by its duly authorized officer on the date written herein below.

AMERITITLE

AMERICAN SAVINGS BANK, F.A. 09-49264-6

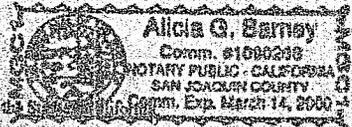
BY: Jean Phillips, Asst. Secretary
STATE OF CALIFORNIA
COUNTY OF SAN JOAQUIN) ss.

BY: Thomas K. Mitchell, Asst. Vice President

On May 9, 1997, before me, the undersigned, a Notary Public in and for the State of California, duly commissioned and sworn, personally appeared Thomas K. Mitchell to me known to be the Assistant Vice President of American Savings Bank, F.A. the corporation, that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that Thomas K. Mitchell is authorized to execute this said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

Alicia G. Barney
Alicia G. Barney, Notary Public in and for the State of California,
Residing at Stockton, CA.



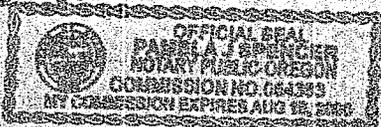
My commission expires: March 14, 2000

STATE OF Oregon)
COUNTY OF Klamath) ss.

On this 21 day of May, 1997, before me, the undersigned, a Notary Public in and for the State of OR, duly commissioned and sworn, personally appeared Jean Phillips to me known to be the Asst. Sec. of Amerititle the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that she is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

Pamela J. Spencer
Notary Public in and for the state of OREGON
residing at Klamath Falls



My commission expires: 8/16/2000

After Recording Return to:
Michael A. Lockrem
2312 Linda Vista
Klamath Falls, OR 97601

STATE OF OREGON : COUNTY OF KLAMATH

Filed for record at request of Amerititle the 21st day of May A.D., 19 97 at 3:33 o'clock P.M., and duly recorded in Vol. M97 of Mortgages on Page 15622

FEE \$15.00

by Herrsha G. Letsch, County Clerk