

55717 MTC 44387
TRUST DEED Vol. 1998 Page 13115
THIS TRUST DEED, made this 14TH day of APRIL, 1998,
between TODD A. ENGELBRECHT AND JENNIFER M. ENGELBRECHT, AS
TENANTS BY THE ENTIRETY, as Grantor,
AMERITITLE, as Trustee, and
ASSOCIATES FINANCIAL SERVICES COMPANY OF OREGON, INC.
as Beneficiary,

WITNESSETH:
Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in KLAMATH

County, Oregon, described as:

PLEASE SEE ATTACHED EXHIBIT "A"

which real property is not currently used for agricultural, timber or grazing purposes, together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now appertaining, and the rents, issues and profits thereof and all fixtures now attached to or used in connection with said real estate:

For the purpose of securing: (1) Payment of the indebtedness in the principal sum of \$ 10399.98 and all other lawful charges evidenced by a loan agreement of even date herewith, made by grantor, payable to the order of beneficiary at all times, in monthly payments, with the full debt, if not paid earlier, due and payable on 04/20/03; and any extensions thereof;

(2) performance of each agreement of grantor herein contained; (3) payment of all sums expended or advanced by beneficiary under or pursuant to the terms hereof, together with interest at the note rate thereon.

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

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; and do all other acts which from the character or use of said property may be reasonably necessary; the specific enumerations herein not excluding the general.
2. To provide, maintain and keep the improvements now existing or hereinafter erected on the premises insured against loss or damage by fire and other hazards and perils included within the scope of a standard extended coverage endorsement, and such other hazards as Beneficiary may require, in such amounts and for such periods as Beneficiary may require, and in an insurance company or insurance companies acceptable to Beneficiary. All insurance policies and renewals shall designate Beneficiary as mortgage loss payee and shall be in a form acceptable to Beneficiary. Grantor hereby confers full power on Beneficiary to settle and compromise all loss claims on all such policies; to demand, receive, and receipt for all proceeds becoming payable thereunder; and, at Beneficiary's option, to apply same toward either the restoration or repair of the premises or the payment of the note. Any application of such proceeds toward payment of the note shall not extend or postpone the due date of monthly installments due under the note.
3. To pay all costs, fees and expenses of this trust including the cost of title search as well as other costs and expenses of the trustee incurred in connection with or enforcing this obligation, and trustee's and attorney's fees actually incurred as permitted by law.
4. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of beneficiary or trustee; and to pay all costs and expenses, including costs of evidence of title and attorney's fees in a reasonable sum as permitted by law, in any such action or proceeding in which beneficiary or trustee may appear.
5. To pay at least ten (10) days prior to delinquency all taxes or assessments affecting the property; to pay when due all encumbrances, charges and liens with interest on the property or any part thereof that at any time appear to be prior or superior hereto.
6. If Grantor fails to perform the covenants and agreements contained in this Trust Deed, including, without limitation, covenants to pay taxes, procure insurance, and protect against prior liens, Beneficiary may at its option, but shall not be required to, disburse such sums and take such actions necessary to pay such taxes, procure such insurance, or otherwise to protect Beneficiary's interest. Any amount disbursed by Beneficiary hereunder shall be an additional obligation of Beneficiary secured by this Trust Deed. Unless Grantor and Beneficiary agree otherwise, all such amounts shall be payable immediately by Grantor upon notice from Beneficiary to Grantor, and may bear interest from the date of disbursement by Beneficiary at the lesser of the rate stated in the note or the highest rate permissible by applicable law. Nothing contained in this paragraph shall require Beneficiary to incur any expense or take any action whatsoever.

It is mutually agreed that:

7. Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to beneficiary who may apply or release such monies received by it in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

Deliver to ASSOCIATES FINANCIAL SERVICES COMPANY OF OREGON, INC.
2047 WASHBURN WAY, KLAMATH FALLS, OR. 97603 (541)885-9991
(Address)

8. Upon any default by grantor or if all or any part of the property is sold or transferred by grantor without beneficiary's consent, the beneficiary may at any time, without notice, either in person or by agent, and without regard to the adequacy of any security for the indebtedness secured, enter upon and take possession of the property or any part of it, and that the entering upon and taking possession of the property shall not cure or waive any default or notice of default or invalidate any act done pursuant to such notice.

9. Upon default by grantor in payment of any indebtedness secured or in his performance of any agreement, the beneficiary may declare all sums secured immediately due and payable. In such event beneficiary at its election may proceed to foreclose this trust deed in equity in the manner provided by law for mortgage foreclosures or direct the trustee to foreclose this trust deed by advertisement and sale. In the latter event the beneficiary or the trustee shall execute and cause to be recorded its written notice of default and its election to sell the said described real property to satisfy the obligations secured hereby and proceed to foreclose this trust deed in a manner provided by law.

10. If after default and prior to the time and date set by trustee for the trustee's sale, the grantor or other person pays the entire amount then due under the terms of the trust deed and the obligation secured thereby, the grantor or other person making such payment shall also pay to the beneficiary all the costs and expenses actually incurred in enforcing the terms of the obligations as permitted by law.

11. Upon any default by grantor hereunder, grantor shall pay beneficiary for any reasonable attorney fees incurred by beneficiary consequent to grantor's default. Grantor will pay these fees upon demand.

12. After a lawful lapse of time following the recordation of the notice of default and the giving of notice of sale the trustee shall sell the property as provided by law at public auction to the highest bidder for cash payable at the time of sale. Trustee shall deliver to the purchaser a deed without express or implied covenants or warranty. Any person excluding the trustee may purchase at the sale.

13. When the trustee sells pursuant to the powers provided, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the lawful fees of the trustee and the reasonable fees of the trustee's attorney, (2) the obligations secured by this trust deed, (3) to all persons having recorded liens subsequent to the interest of the beneficiary and the trust deed as their interest may appear in the order of their priority, and (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

14. For any reason permitted by law, the 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.

The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is lawfully seized in fee simple of said described real property and has valid, unencumbered title thereto and that he will warrant and forever defend the same against all persons whomsoever.

THIS INSTRUMENT DOES NOT GUARANTEE THAT ANY PARTICULAR USE MAY BE MADE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT. A BUYER SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the note secured hereby, whether or not named as a beneficiary herein. In construing this deed and whenever the context so requires, the masculine gender includes the feminine and the neuter, and the singular number includes the plural.

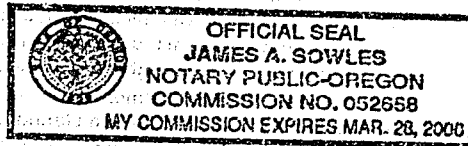
IN WITNESS WHEREOF, the grantor has hereunto set his hand and seal the day and year first above written.

Harvey A. Delf
Witness

Todd A. Engelbrecht
Grantor
TODD A. ENGELBRECHT
Jennifer M. Engelbrecht
Grantor
JENNIFER M. ENGELBRECHT

STATE OF OREGON

)
) SS.
)



County of KLAMATH

Personally appeared the above named TODD A. ENGELBRECHT AND JENNIFER M. ENGELBRECHT and

acknowledged the foregoing instrument to be THEIR voluntary act and deed.

Before me: James A. Sowles

My commission expires: Mar. 28, 2000
Notary Public

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

NOTED: This document is to be used only when the obligations secured by the foregoing trust deed have been fully paid and satisfied. It is to be used to request the trustee to reconvey the property to the parties designated by the terms of said trust deed.

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

DATE: _____

Beneficiary

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.

EXHIBIT "A"
LEGAL DESCRIPTION

13117

A tract of land situated in NE 1/4 of NE 1/4 of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at an iron pin which lies North 89 degrees 40' East along the 40 line a distance of 780.0 feet and North 1 degree 02' West a distance of 533.4 feet from the iron pin which marks the intersection of 4th Avenue and 4th Street of Altamont Acres, which point of intersection is also the Southwest corner of the NE 1/4 NE 1/4 of Section 10, Township 39 South, Range 9, East of the Willamette Meridian and running thence North 89 degrees 40' East a distance of 210.5 feet to an iron pin which lies on the Westerly right of way line of the U.S.R.S Drain Ditch; thence North 4 degrees 22' West along said Westerly right of way line of the U.S.R.S Drain ditch a distance of 85 feet to an iron pin; thence continuing North 30 degrees 38' West along said right of way line a distance of 382.4 feet to an iron pin which marks the intersection of the Westerly right of way line of the U.S.R.S. Drain and the Southerly right of way of a 60 foot road; thence South 89 degrees 40' West along the Southerly line of a 60 foot road a distance of 16.9 feet to an iron pin which lies on the Easterly right of way line of Derby Street; thence South 1 degree 02' East along the Easterly right of way line of Derby Street a distance of 415 feet, more or less, to the point of beginning, said tract being the NE 1/4 NE 1/4 of Section 10, Township 39 South, Range 9 East of the Willamette Meridian.

EXCEPTING THEREFROM a tract of land situated in the NE 1/4 NE 1/4 of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, in the Klamath County, State of Oregon, more particularly described as follows:

Beginning at an iron pin which lies North 89 degrees 40' East along the 40 line a distance of 780.0 feet and North 1 degree 02' West a distance of 707.21 feet from the iron pin which marks the intersection of 4th Avenue and 4th Street of Altamont Acres, which point of intersection is also the Southwest corner of the NE 1/4 NE 1/4 of Section 10, Township 39 South, Range 9, East of the Willamette Meridian and running thence North 89 degrees 41' 13" East a distance of 154.90 feet to an iron pin which lies on the Westerly right of way line of the U.S.R.S Drain Ditch; thence North 30 degrees 36' 47" West along said Westerly right of way line of the U.S.R.S. Drain Ditch a distance of 279.79 feet to an iron pin which marks the intersection of the Westerly right of way line of the U.S.R.S. Drain and the Southerly line of a 60 foot road; thence South 89 degrees 41' 13" West along the Southerly right of way line of the 60 foot road a distance of 16.90 feet to an iron pin which lies on the Easterly right of way of Derby Street; thence South 01 degree 03' 56" East along the Easterly right of way line of Derby Street a distance of 241.60 feet, more or less, to the point of beginning, said tract being in the NE 1/4 NE 1/4 of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, with bearings based on Minor Land Partition No. 81-6.

EXCEPTING THEREFROM a tract of land situated in the NE 1/4 of NE 1/4 of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, in the Klamath County, State of Oregon, more particularly described as follows:

Beginning at an iron pin which lies North 89 degrees 40' East along the 40 line a distance of 780.0 feet and North 1 degree 02' West a distance of 426.8 feet from the iron pin which marks the intersection of 4th Avenue and 4th Street of Altamont Acres, which point of intersection is also the Southwest corner of the NE 1/4 of NE 1/4 of Section 10, Township 39 South, Range 9, East of the Willamette Meridian and running thence North 89 degrees 41' 13" East a distance of 216.7 feet to an iron pin which lies on the Westerly right of way line of the U.S.R.S Drain Ditch; thence North 04 degrees 20' 47" West 170.41 feet to the true point of beginning; thence continuing North 04 degrees 20' 47" West 21.02 feet to a point; thence North 30 degrees 36' 47" West 103.10 feet to a point; thence South 89 degrees 41' 13" West 154.90 feet; thence South 01 degree 03' 56" East 110 feet to a point; thence North 89 degrees 41' 13" East 205.95 feet to the point of beginning with bearings based on Minor Land Partition No. 81-6.

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PRELIMINARY REPORT

PRELIMINARY REPORT ONLY

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the _____ day
of _____ A.D., 19 _____ at _____ o'clock _____ P. M., and duly recorded in Vol. _____
of _____ Mortgages _____ on Page _____

FEE \$20.00

By _____ Bernetha G. Leisch, County Clerk