

WHEN RECORDED MAIL TO:
Household Finance Corporation
571 Lamont Road
Elmhurst, IL 60126

NFC 4635

SPACE ABOVE THIS LINE FOR RECORDER'S USE

LINE OF CREDIT INSTRUMENT

661711-08-600108

 If box is checked, this mortgTHIS DEED OF TRUST is made th
LUPE BROWN, ANNA BROWN AND W(herein "Borrower"), AMERI-MILLE
(herein "Trustee") and the Beneficiary,
a corporation organized and existing under
1345 CFR DR STE D MEDFORD
(herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of \$ 40,000.00 or so much as may be advanced pursuant to and extensions and renewals thereof, under the terms specified in the Note, including any increases if the contract rate of interest is variable, and providing for a credit limit stated in the principal sum above and in initial advance of \$ 40,000.00;

TO SECURE to Lender the payment of all other sums, with interest thereon, including any increases if the contract rate of interest is variable, and extensions and renewals thereof, under the terms specified in the Note, including any increases if the contract rate of interest is variable, and providing for a credit limit stated in the principal sum above and in initial advance of \$ 40,000.00;

1) the indebtedness evidenced by the Note, with interest thereon, 1) future advances under any Revolving Loan Agreement; 3) the payment of all other sums, with interest thereon, including any increases if the contract rate of interest is variable, and extensions and renewals thereof, under the terms specified in the Note, including any increases if the contract rate of interest is variable, and providing for a credit limit stated in the principal sum above and in initial advance of \$ 40,000.00;

Lot 3 in Block 11 of
to the official plat
County Clerk of Klamath

RECORD ADDITION TO CHILTON according
to the official plat in the office of the
County Clerk.

"Exhibit A" to all the original assignments and any (subject to any limitation, all of which shall be deemed to be the Borrower, together with said property tenanted referred to in the "Property";

Borrower covenants that Borrower is lawfully entitled to convey the Property; and that the Property that Borrower warrants and will defend generally against all claims and demands, subject to encumbrances of record.

UNIFORM COVENANTS. Borrower

1. Payment of Principal and Interest. Indebtedness evidenced by the Note, including charges as provided in the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or waiver by Lender, Borrower shall pay to Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full, a sum yearly taxes and assessments (including condominium and planned unit installations for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any) which may, if any, plus one-twelfth of yearly premium installments for mortgage insurance, if any, the basis of assessments and bills and repayments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust is such holder is an institution.

If Borrower pays Funds to Lender, the Funds to be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if lender is such an institution), Lender shall apply the Funds to pay said taxes, assessments, and insurance premiums and ground rents, and applying the Funds, analyzing said account, Borrower interest on the Funds and any amount, agree in writing at the time of execution of this Deed of Trust, that interest on the Funds shall be paid to Lender or apply the law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or annual accounting of the Funds showing that the Funds were made. The Funds are pledged as security for the sums secured by this Deed of Trust.

If the amount of the Funds held by Lender exceeds the due date of taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be paid to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Deed of Trust, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 3, Application of Payments, unless as provided in Note and paragraphs 1 and 2 hereof shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any sum held by Lender as a credit against the sums secured by this Deed of Trust.

3. Application of Payments. Unless as provided in Note and paragraphs 1 and 2 hereof, then to Borrower under paragraph 2 hereof, then to

4. Prior Mortgages and Deeds of Trust. Under any mortgage, deed of trust or other instrument, including Borrower's covenants to make assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, and household payments or g

5. Hazard Insurance. Borrower shall keep the Property insured against loss by fire, hazards including, but not limited to, lightning, wind, water damage, and other hazards as Lender may require and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by the Borrower, subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender. Lender shall have the right to hold a lien which has priority over this Deed of Trust.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree, if the Property is damaged, if the restoration or repair is not economical, the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Deed of Trust. If Borrower abandons the Property, the insurance carrier has offered to settle a claim for the property to repair or restore the Property or the 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree, postpone the due date of the monthly payments. If under paragraph 19 the insurance proceeds resulting from damage to the Property secured by this Security Instrument are insufficient to pay the sums secured by this Security Instrument, immedi-

ately seized of the title hereby conveys and has the right to grant and unencumbered, except for encroachments of record. Borrower covenants to the title to the Property against all claims and demands, subject to

1. Lender covenant and agrees as follows:

Borrower shall promptly pay when due the principal and interest and any variations resulting from changes in the Contract Rate, and late

2. to applicable law or waiver by Lender. Borrower shall pay to Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full, a sum yearly taxes and assessments (including condominium and planned unit installations for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any) which may, if any, plus one-twelfth of yearly premium installments for mortgage insurance, if any, the basis of assessments and bills and repayments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust.

3. Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding or verifying and compiling said assessments and bills, unless Lender applicable law permits Lender to make such a charge. Borrower and Lender agree that interest on the Funds shall be paid to Lender or apply the law requires such interest to be paid, Lender shall not be entitled to any earnings on the Funds. Lender shall give to Borrower, without charge, an account of all debits to the Funds and the purpose for which each debit to the additional security for the sums secured by this Deed of Trust.

4. together with the future monthly installments of Funds payable prior to premiums and ground rents, shall exceed the amount required to pay said ground rents as they fall due, such excess shall be, at Borrower's option, applied to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

5. Upon payment in full of all sums secured by this Deed of Trust, Lender shall promptly refund to Borrower any sum held by Lender as a credit against the sums secured by this Deed of Trust.

6. 3. Application of Payments. Unless as provided in Note and paragraphs 1 and 2 hereof, then to Borrower under paragraph 2 hereof, then to

7. Charges, Liens. Borrower shall perform all of Borrower's obligations under this Deed of Trust, including payment of taxes, assessments, insurance premiums and impositions attributable to the Property which may attain a priority over this Deed of Trust.

8. Prior Mortgages and Deeds of Trust. The improvements now existing or hereafter erected on the Property within the term "extended coverage," and such other hazards as Lender may require.

9. Hazard Insurance. The insurance carrier shall be chosen by the Borrower, subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender. Lender shall have the right to hold a lien which has priority over this Deed of Trust.

10. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

11. Unless Lender and Borrower otherwise agree, if the Property is damaged, if the restoration or repair is not economical, the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due. If the insurance carrier has offered to settle a claim for the property to repair or restore the Property or the 30-day period will begin when the notice is given.

12. Unless Lender and Borrower otherwise agree, postpone the due date of the monthly payments. If under paragraph 19 the insurance proceeds resulting from damage to the Property secured by this Security Instrument are insufficient to pay the sums secured by this Security Instrument, immedi-

6. Preservation and Maintenance of Property. Borrower shall keep the Project in good condition and shall not commit waste or permit impairment or deterioration of portions of any units if the Deed of Trust is on a co-ownership or joint development. Borrower shall perform all of Borrower's obligations under governing the condominium or planned unit development and constituent documents.

7. Protection of Lender's Security. Deed of Trust, or if any action or process then Lender, at Lender's option, upon notice, attorney's fees, and take such insurance as a condition of making the loan to maintain such insurance in effect until with Borrower's and Lender's written agreement.

8. Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon at the applicable Contract Rate, shall become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree otherwise, all be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

9. Inspection. Lender may make or provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Project.

10. Condemnation. The proceeds of an condemnation or other taking of the Project assigned and shall be paid to Lender, subject with a lien which has priority over this Deed of Trust.

11. Borrower Not Released; Forbearance. Modification of amortization of the sum of Borrower and all other parties who are in any manner, the liability of the original to commence proceedings against such amortization of the sums secured by this Borrower's successors in interest. Any afforded by applicable law, shall not be a

12. Successors and Assigns. Bound; herein contained shall bind, and the rights Borrower, subject to the provisions of paragraph 16 hereof, all covenants and agreements of Borrower who co-signs this Deed of Trust only to grant and convey that Borrower's interest in the Property to Trustee under the terms of this Deed of Trust; (b) is not personally liable on the Borrower hereunder may agree to extend terms of this Deed of Trust or the Note modifying this Deed of Trust; and to that I

13. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust addressed to Borrower at the address stated to Lender as provided herein; and (b) any notice or to such other address as Lender fix in this Deed of Trust shall be deemed designated herein.

14. Governing Law; Severability. The apply except where such laws conflict with Federal law in which case Federal law applies. The foregoing sentence shall not limit the applicability of Federal law of this Deed of Trust. In the event that any provision or clause of this Deed of Trust conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust but the conflicting provision, and to this end the provisions of this Deed of Trust are declared to be severable. As used herein "costs", "expenses" and "attorneys' fees" include all

15. Borrower's Copy. Borrower shall requested, at the time of execution or after

16. Rehabilitation Loan Agreement. rehabilitation, improvement, repair, or Lender's option, may require Borrower to of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the

17. Transfer of the Property. If Borrower sells or transfers all or any part of the Property or an interest therein, including (a) the creation of a lien or encumbrance subordinate to this Deed of Trust; (b) a transfer by devise, descent, joint tenant; (c) the grant of any less than interest of three years or less, not containing an option to purchase; (d) the transfer to a relative resulting from the Borrower becoming an owner of the property by adoption agreement, or from an incident to the property; (e) a transfer by a beneficiary, and which does not relate to disposition described in regulations previously submitted information required by Lender transferred. Borrower will continue to be Borrover in writing.

Proposed, revised and standard Deed of Trust amendment, which shall not impair or permit impairment or deterioration of portions of any units if the Deed of Trust is on a co-ownership or joint development. Borrower shall perform all of Borrower's obligations under governing the condominium or planned unit development and constituent documents.

Borrower agrees to perform the covenants and agreements contained in this Deed of Trust which materially affects Lender's interest in the Property, to Borrower, pay same such appearance, disburse such sums including insurance as is necessary to protect Lender's interest. If Lender requires mortgage secured by this Deed of Trust, Borrower shall pay the premiums required such time as the requirement for such insurance terminates in accordance with applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon at the applicable Contract Rate, shall become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree otherwise, all be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

18. Inspection. Lender may make or provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Project.

19. Condemnation. The proceeds of an condemnation or other taking of the Project assigned and shall be paid to Lender, subject with a lien which has priority over this Deed of Trust.

20. Borrower Not Released; Forbearance. Modification of amortization of the sum of Borrower and all other parties who are in any manner, the liability of the original to commence proceedings against such amortization of the sums secured by this Borrower's successors in interest. Any afforded by applicable law, shall not be a

21. Successors and Assigns. Bound; herein contained shall bind, and the rights Borrower, subject to the provisions of paragraph 16 hereof, all covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Deed of Trust, but does not execute the Note, (a) is consigning this Deed of Trust to Lender's interest in the Property to Trustee under the terms of this Deed of Trust; or under this Deed of Trust, and (b) agrees that Lender and any other successor or assignee may exercise any right or remedy hereunder, or otherwise exercise or conclude the exercise of any such right or remedy.

22. Joint and Several Liability; Co-signers. The covenants and agreements contained in this Deed of Trust shall inure to the respective successors and assigns of Lender and Borrower and their heirs, executors, administrators, personal representatives, trustees, guardians, and assigns. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Deed of Trust, but does not execute the Note, (a) is consigning this Deed of Trust to Lender's interest in the Property to Trustee under the terms of this Deed of Trust; or under this Deed of Trust, and (b) agrees that Lender and any other successor or assignee may exercise any right or remedy hereunder, or otherwise exercise or conclude the exercise of any such right or remedy.

23. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust addressed to Borrower at the address stated to Lender as provided herein; and (b) any notice or to such other address as Lender fix in this Deed of Trust shall be deemed designated herein.

24. Governing Law; Severability. The state and local laws of the jurisdiction in which the Property is located shall apply except where such laws conflict with Federal law in which case Federal law applies. The foregoing sentence shall not limit the applicability of Federal law of this Deed of Trust. In the event that any provision or clause of this Deed of Trust conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust but the conflicting provision, and to this end the provisions of this Deed of Trust are declared to be severable. As used herein "costs", "expenses" and "attorneys' fees" include all

25. Borrower's Copy. Borrower shall furnished a copy of the Note and of this Deed of Trust, if executed, to Lender.

26. Rehabilitation Loan Agreement. Borrower shall fulfill all of Borrower's obligations under any home

27. Transfer of the Property. If Borrower sells or transfers all or any part of the Property or an interest therein, including (a) the creation of a lien or encumbrance subordinate to this Deed of Trust; (b) a transfer by devise, descent, joint tenant; (c) the grant of any less than interest of three years or less, not

28. Transfer of Household Appliances. (d) the grant of a purchase money security interest for household appliances; (e) a death of a Borrower; (f) a transfer where the spouse or children of the

29. Transfer Resulting from Divorce. (g) a transfer resulting from a decree of a dissolution of marriage, legal

30. Transfer of Real Property. (h) a transfer by a transfer agreement, by which the spouse of the Borrower

31. Transfer in Trust. (i) a transfer into an inter vivos trust in which the Borrower is and remains a transfer or rights of occupancy in the property; or (j) any other transfer ordered by the Federal Home Loan Bank Board. Borrower shall cause to be evaluated the transferee as if a new loan were being made to the obligor under the Note and the Deed of Trust unless Lender releases

If Lender does not receive such notice within the time specified above, it is deemed to have been given in accordance with paragraph 17 hereof.

NON-ACCELERATION COVENANTS

17. Acceleration; Remedies. Except as provided in paragraph 18 hereof, or as otherwise is required by law, upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, including the covenants to pay when due any sums secured by this Deed of Trust, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 12 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, reasonable attorneys' fees.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which the Property or some part thereof is located. Lender or Trustee shall give notice of sale in the manner prescribed by applicable law to Borrower and to the other persons prescribed by applicable law. After the lapse of such time as may be required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or Lender's designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser or Trustee's agent conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including, but not limited to, reasonable Trustee's and attorney's fees and costs of title; (b) this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled thereto.

18. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Deed of Trust due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Deed of Trust discontinued at any time prior to the earlier to occur of the fifth day before sale of the Property pursuant to the power of sale contained in this Deed of Trust or to entry of a judgment enforcing this Deed of Trust if: (a) Borrower pays Lender all sums which would be then due under this Deed of Trust and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Deed of Trust; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Deed of Trust, and in enforcing Lender's and Trustee's remedies as provided in paragraph 17 hereof including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the sum of all this Deed of Trust, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. Assignment of Rents; Appointment of Receiver; Lender in Possession. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender 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. Lender and the receiver shall be liable to account only for those rents actually received.

20. Reconveyance. Upon payment of all sums secured by this Deed of Trust, and if Lender is not committed to make any future refinancings or future advances, Lender shall request Trustee to reconvey the Property and shall surrender this Deed of Trust and all note evidencing indebtedness created by this Deed of Trust to Trustee. Trustee shall re-convey the Property without warranty to the person or persons legally entitled thereto. Such person or persons shall pay all reconveyance fees and costs of recordation, if any.

21. Substitute Trustees. In accordance with applicable law, Lender may from time to time remove Trustee and appoint a successor trustee to an office appointed in accordance with the terms of this Deed of Trust and in law, and the successor trustee may accept appointment by a successor to the Note. Lender's fees shall include attorney's fees, if any, which shall be awarded by an appropriate court.

22. Removal of Lender. If the sums secured by this Deed of Trust is paid in full, Lender may, at any time during the period of not less than 30 days from the date of payment of the sums declared due, if Borrower fails to pay such sums prior to the expiration of such period, if Lender gives written further notice or demand on Borrower, further covenant and agree as follows:

18. Acceleration; Remedies. Except as provided in paragraph 17 hereof, or as otherwise is required by law, upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, including the covenants to pay when due any sums secured by this Deed of Trust, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 12 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, reasonable attorneys' fees.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which the Property or some part thereof is located. Lender or Trustee shall give notice of sale in the manner prescribed by applicable law to Borrower and to the other persons prescribed by applicable law. After the lapse of such time as may be required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or Lender's designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser or Trustee's agent conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including, but not limited to, reasonable Trustee's and attorney's fees and costs of title; (b) this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled thereto.

18. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Deed of Trust due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Deed of Trust discontinued at any time prior to the earlier to occur of the fifth day before sale of the Property pursuant to the power of sale contained in this Deed of Trust or to entry of a judgment enforcing this Deed of Trust if: (a) Borrower pays Lender all sums which would be then due under this Deed of Trust and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Deed of Trust; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Deed of Trust, and in enforcing Lender's and Trustee's remedies as provided in paragraph 17 hereof including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the sum of all this Deed of Trust, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. Assignment of Rents; Appointment of Receiver; Lender in Possession. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender 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. Lender and the receiver shall be liable to account only for those rents actually received.

20. Reconveyance. Upon payment of all sums secured by this Deed of Trust, and if Lender is not committed to make any future refinancings or future advances, Lender shall request Trustee to reconvey the Property and shall surrender this Deed of Trust and all note evidencing indebtedness created by this Deed of Trust to Trustee. Trustee shall re-convey the Property without warranty to the person or persons legally entitled thereto. Such person or persons shall pay all reconveyance fees and costs of recordation, if any.

21. Substitute Trustees. In accordance with applicable law, Lender may from time to time remove Trustee and appoint a successor trustee to an office appointed in accordance with the terms of this Deed of Trust and in law, and the successor trustee may accept appointment by a successor to the Note. Lender's fees shall include attorney's fees, if any, which shall be awarded by an appropriate court.

S
**REQUEST FOR NOTICE
AND FOR CLOSURE
MORTGAGES OR LIENS
ON THE PROPERTY
CHIEF DEFECTIVE
UNDER SUPERIOR
DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Deed of Trust, to give Notice to Lender of the holder's address for service of process, one of this Deed of Trust, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has executed this Deed of Trust:

Linda Brown

Linda Brown

-Borrower

Linda Brown

-Borrower

STATE OF OREGON, KLAMATH COUNTY

County ss:

On the 13TH day of JANUARY, 19 99, personally appeared the above named

LINDA BROWN, CLANNA BROWN AND WISKA BROWN, TRUSTEES, and acknowledged

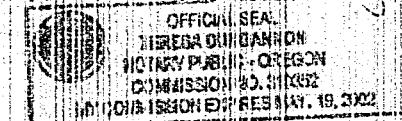
the foregoing instrument to be THE 3 RECEIVED 1/13/99

19 99,

voluntarily and freely.

(Official Seal)

My Commission expires: May 13, 2002



Notary Public

DEED OF CONVEYANCE

TO TRUSTEE:

The undersigned is the holder of the note or other indebtedness secured by this Deed of Trust and this Deed of Trust, which are delivered herewith.

notes secured by this Deed of Trust. Said note or notes, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel said note or notes, and to convey without warranty, all the estate now held by you under this Deed of Trust to the person or persons herein entitled thereto.

1/13/99

(Sign Below)

his true Return date: Lenders and Recorders

STATE OF OREGON: COUNTY OF KLAMATH

Filed for record at request of January, A.D. 1999
of Mortgagor

Amendment date: 1/13/99 the 13th day
of January, 1999.
Duly recorded in Vol. M99,
on page 1708.

Linda Smith, County Clerk

by *Linda Smith, Clerk*

FEE \$10.00