

75148

99 FEB 24 P 3 38

day of FEB 1999

THIS TRUST DEED, made this 22nd day of FEB, 1999, between DONALD LEE STEERS AND HAZEL FERN STEERS AS TENANTS BY THE ENTIRETY, as Grantor,

ASPEN TITLE

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:

The following parcel of real property being situated in Township 37 South, Range 9 E.W.M., Klamath County, Oregon, more particularly described as follows:

Section 28: The N1/4NW1/4  
Section 29: That portion of the N1/4NE1/4 lying East of and adjacent to Old Fort Road.

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 \$ 11,259.01 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 02/26/06 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 mortgagee 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 or of 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, OREGON 97603 (541) 885-9991

(Address)

<input checked="" type="checkbox"/>	ORIGINAL (1)
<input type="checkbox"/>	BORROWER COPY (1)
<input type="checkbox"/>	RETENTION (1)

000695.03

## Exhibit "A"

Lot 1, Tract 1241, Plum Valley, in the County of Klamath,  
State of Oregon.

183-3709-2800-300      Key No. 379254  
53-3709-2800-300      Key No. 599436

STATE OF OREGON : COUNTY OF KLAMATH:      ss.  
Filed for record at request of Aspen Title & Escrow the 24th day  
of February A.D., 1999 at 3:38 o'clock P.M., and duly recorded in Vol. M99  
of Mortgages on Page 6494  
Linda Smith, County Clerk  
by Kathleen Ross  
FEE      \$20.00