

76978

Vol. 1141 Page 10678

Account Number: 502 8347526 -6659
 ACAPB Number: 990751530440
 Date Printed: 3/24/1999
 Reconveyance Fee: \$0.00

OPTION 15

WHEN RECORDED MAIL TO:

Bank of America

Northwest Regional Loan Service Center

P.O. Box 3828

Seattle, WA 98124-3828

RESERVED FOR AUDITOR'S USE ONLY.

PERSONAL LINE OF CREDIT
TRUST DEED

THIS DEED OF TRUST is made this 25th day of March, 1999, between
 Neil C. Peacock And Karen K. Peacock, As Tenants By The Entirety

whose address is 620 MT PITT ST KLAMATH FALLS OR 97601
 and Bank of America, NT&SA
 and Beneficiary, at its above named address.

WHEREAS Grantor has entered into an agreement with Beneficiary under which Beneficiary agrees to lend to the Grantor from time to time, subject to
 repayment and reborrowing, up to a total amount outstanding at any point in time of:

forty three thousand five hundred dollars and no cents
 \$ 43,500.00 Dollars which indebtedness is evidenced by Grantor's Agreement and Disclosure Statement
 Equity Maximizer (R) Home Equity Line of Credit signed on March 25, 1999 (herein "Agreement"). The Agreement is incorporated herein
 by reference as though fully set forth.

TO SECURE to Beneficiary the repayment of the indebtedness evidenced by the Agreement, together with all renewals, modifications, or extensions
 thereof, with interest thereon, the payment of other sums, with interest thereon, advanced to protect the security of this Deed of Trust, and the
 performance of the covenants and agreements of Grantor herein contained, together with interest thereon at such rate as may be agreed upon,
 Grantor does hereby irrevocably grant, bargain, sell and convey to the Trustee in Trust, with the power of sale, the following described property in

Klamath County, State of Oregon: Property Tax ID# 3809-1196-0700
 Lot 3 in Block 15 Of Buena Vista Addition To The City Of Klamath Falls, According To The Official Plat Thereof On File In The Office Of The
 County Clerk Of Klamath County, Oregon.

together with all tenements, hereditaments, and appurtenances now or hereafter thereto belonging or in any wise appertaining, and the rents,
 issues and profits thereof, it being the express intent of Grantor and Beneficiary that this Deed of Trust and the estate held by Trustee hereunder shall
 continue in effect notwithstanding that from time-to-time no indebtedness of Grantor to Beneficiary under the Agreement may exist, and shall survive
 as security for all now or additional indebtedness of Grantor to Beneficiary under the Agreement from time-to-time arising.

MATURITY DATE: The term of the Agreement commences on the date this Deed of Trust is executed and shall end if not paid sooner on
3/24/2024

VARIABLE INTEREST RATE: This agreement contains a Variable Interest Rate. The interest rate on Grantor's indebtedness under the Agreement
 may vary from time-to-time in accordance with such rate or rates, as described in the Agreement.

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure, or improvement being built
 or about to be built thereon; to restore promptly any building, structure or improvement thereon which may be damaged or destroyed; and to comply
 with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens or
 encumbrances, impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire, hazards included
 within the term "extended coverage" and such other hazards as Beneficiary may require in an aggregate amount not less than the total debt secured
 by this Deed of Trust and all other prior liens. All policies shall be in such companies as the Beneficiary may approve and have been payable to the
 Beneficiary as its interest may appear and then to the Grantor. The amount collected under any insurance policy may be applied upon any
 indebtedness hereby secured in such order, as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of
 any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the
 purchaser at the foreclosure sale.
4. To 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 cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding.
5. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses incurred in enforcing the obligations secured
 hereby including without limitation Trustee's and Beneficiary's attorney's fees actually incurred, including attorney fees assessed at trial or on appeal.
6. Grantor shall not, without Beneficiary's prior written consent, grant or allow any further encumbrances or liens, voluntary or involuntary, against
 the property.
7. To promptly and fully perform all of the obligations of the mortgagor or grantor or contract purchaser under any existing mortgage or Deed of
 Trust or real estate contract on the property, and to save Beneficiary harmless from the consequences of any failure to do so.
8. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or
 other charges against the property hereinabove described, or otherwise fail to keep and perform any of Grantor's covenants herein contained, the
 performance of which requires the expenditure of money, then, in any such event, the Beneficiary, at its election, may pay such sums as may be
 necessary to perform such obligations with respect to which the Grantor is in default, without prejudice to Beneficiary's right to accelerate the
 maturity of this Deed of Trust and to foreclose the same, and any and all amounts so paid shall be repaid by the Grantor to the Beneficiary upon
 demand, with interest thereon at the highest rate then applicable to Grantor's indebtedness under the Agreement or other loan document from the
 date of such payment, and all such payments with interest as above provided, shall, from the date of payment, be added to and become a part of the
 indebtedness secured by this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award for such portion shall be paid to the Beneficiary, to the extent of the obligations secured hereby, and the balance shall be paid to the Grantor.
2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment with due of all other sums secured by this deed.
3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto on written request of the Grantor and the Beneficiary, or upon satisfaction of the obligations secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
4. Upon the occurrence of an Event of Default as defined below, all sums secured hereby shall immediately become due and payable. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Laws of the State of Oregon, at public auction to the highest bidder. Trustee shall apply the proceeds of the sale as follows: (1) to the expenses of sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligations secured by this Deed of Trust; (3) To all persons having recorded liens subsequent to the interest of the Trustee and the Trust Deed as their interest may appear in the order of their priority; (4) A surplus, if any, to the Grantor or the Trust Deed or to the successor in interest of the Grantor entitled to such surplus.
5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's Deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrances for value.
6. Reinstatement: The Grantor shall have the right to reinstate this Deed of Trust and have any proceedings begun by the Beneficiary to enforce this Deed of Trust discontinued at any time prior to the date of occurrence of (1) the fifth day before the date of sale by the Trustee, or (2) the entry of a judgment foreclosing this Deed of Trust. The conditions for reinstatement are that: (a) the Grantor pays off sums, which would then be due under the Agreement and this Deed of Trust had no acceleration occurred; (b) cure any default of Grantor's other obligations or agreements in this Deed of Trust; (c) pay all costs and expenses actually incurred by Bank Beneficiary in enforcing this Deed of Trust, including, but not limited to reasonable Trustee's fees and attorney's fees, to the extent permitted by applicable law. Upon reinstatement this Deed of Trust and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, the reinstatement right shall not apply in the case of acceleration resulting from the sale or transfer of Grantor's property.
7. The power of sale conferred by this Deed of Trust and by the Trust Deed Statutes of the State of Oregon is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
8. In the event of the death, incapacity or disability or resignation of Trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Trustee or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
9. Each of the following, at the option of Beneficiary, shall constitute an event of default ("Event of Default") under this Deed of Trust: (a) Grantor commits fraud or makes a material misrepresentation at any time in connection with the credit line account. This can include, for example, a false statement about Grantor's income, assets, liabilities, or any other aspects of Grantor's financial condition. (b) Grantor does not meet the repayment terms of the credit line account. (c) Grantor's action or inaction adversely affects the collateral for the credit line account or Beneficiary's rights in the collateral. This can include, for example, failure to maintain required insurance, waste or destructive use of the dwelling, failure to pay taxes, death of all persons liable on the account, transfer of title or sale of the dwelling, creation of a lien on the dwelling without our permission, foreclosure by the holder of another lien, or the use of funds on the dwelling for prohibited purposes.
10. This Deed of Trust applies to trustees to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner of the Agreement or other evidence of indebtedness secured hereby, whether or not named as Beneficiary herein.
11. Application: Law. This Deed of Trust has been delivered to Beneficiary and accepted by Beneficiary in the State of Oregon. This Deed of Trust shall be governed by and construed in accordance with the laws of the State of Oregon.
12. Any Grantor who is not a borrower under the Agreement shall not be personally liable for the obligations under the Agreement and is only signing this Deed of Trust to grant and convey your interest in the real property identified herein and agrees that Beneficiary and any borrower under the Agreement may extend, modify, forbear, or make any other arrangements relating to the Agreement or Deed of Trust without your consent and without releasing you from this Deed of Trust, its extension or modification.
13. To the fullest extent permitted by law Grantor waives any right to plead any statute of limitations as a defense to any obligation secured hereby and Grantor releases and waives all rights and benefits of the homestead exemption laws of the State where the property is located.

THIS INSTRUMENT WILL NOT ALLOW FOR THE USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

Neil C. Peacock

Karen K. Peacock

ACKNOWLEDGMENT BY INDIVIDUAL

STATE OF OREGON

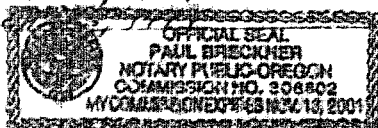
County of KLAMATH

I certify that I know or have satisfactory evidence that Neil C. Peacock and Karen K. Peacock

are the individual(s) who signed this instrument in my

presence and acknowledged it to be his (his/their) free and voluntary act for the uses and purposes mentioned in the instrument.

Date: MARCH 25 1999



Paul Breckner
NOTARY PUBLIC FOR THE STATE OF OREGON

My appointment expires

ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

STATE OF OREGON

County of _____

I certify that I know or have satisfactory evidence that _____

and signed this instrument in my presence, on oath stated that she/he/they was/were authorized to execute the instrument and acknowledged it as the

holder of _____ of _____ to be the free and voluntary act of each party for the uses and purposes mentioned in the instrument.

Dated: _____

NOTARY PUBLIC FOR THE STATE OF OREGON

My appointment expires

REQUEST FOR RECONVEYANCE

STATE OF OREGON, COUNTY OF KLAMATH ss.

Filed for record in request of Americiti the 26th day of March A.D., 1999 at 11:16 o'clock A. M., and duly recorded in Vol. 499 of Mortgages on Page 10676

Linda Smith, County Clerk

FILE \$15.00

by Kathleen Rose