

Filed for Record at Request of
Name WELLS FARGO FINANCIAL OREGON INC.
Address 1550 BIDDLE RD., STE E
City and State, Zip MEDFORD, OR 97504

THIS SPACE RESERVED FOR RECORDER'S USE

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State of Oregon, County of Klamath
Recorded 05/15/2002 2:51 p.m.
Vol M02, Pg 29062-63
Linda Smith, County Clerk
Fee \$ 26.00 # of Pgs 2

**OREGON DEED OF TRUST
(With Power of Sale)**

Principal Amount of Loan \$ 56,330.43
Number of Monthly Instalments 96
Amount of First Instalment \$ 820.00

Amount of Other Instalments \$ 820.00
First Instalment Due Date JUNE 14, 2002
Final Instalment Due Date MAY 14, 2010

THIS DEED OF TRUST, made this 9TH day of MAY, 2002,
between CARL LEE CHAPMAN AND DONNALEE KAY CHAPMAN
as Grantors ASPEN TITLE as
Trustee, and Wells Fargo Financial Oregon, Inc., as Beneficiary,

WITNESSETH, Grantors hereby irrevocably, grant, bargain, sell, and convey to Trustee in trust, with power of sale, the following described property in KLAMATH County, Oregon:

LOTS 16, 17 AND 18, BLOCK 30, SECOND ADDITION TO THE CITY OF KLAMATH FALLS, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE CLERK OF KLAMATH COUNTY, OREGON.

Together with tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining and the rents, issues and profits thereof.

This conveyance is intended for the purpose of securing the payment to Beneficiary of Grantors' promissory note of even date in the amount stated above as "Principal Amount of Loan," plus interest per annum at the Agreed Rate of Interest on Principal Amount of Loan stated in said note computed on unpaid balances of Principal Amount of Loan, as well as any future note or notes that may be executed and delivered to Beneficiary by Grantors from time to time as provided in said promissory note, the total outstanding indebtedness, however, never to exceed the sum of two hundred thousand dollars at any one time. Said loan is repayable in the number of monthly instalments stated above. The amount of the instalment payments due on said loan are stated above. The first and final instalment due dates on said loan are stated above.

The above described property is not currently used for agricultural, timber or grazing purposes.

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 or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary as its interest may appear and then to the Grantor. The amount collected under any insurance policy may be applied upon and 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 or cure or waive any default or notice of default or invalidate any act done pursuant to such notice. 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 obtain Beneficiary's written consent before selling or transferring the property, or any part thereof, and any such sale or transfer without Beneficiary's prior written consent shall constitute a default under the terms hereof.
5. 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, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

