

USDA-FmHA  
Form FmHA 427-7 OR  
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REAL ESTATE DEED OF TRUST FOR OREGON  
(Rural Housing)

K 34804  
THIS DEED OF TRUST is made and entered into by and between the undersigned \_\_\_\_\_

JAMES L. BAKER AND SHELLIE BAKER,

husband and wife

residing in KLAMATH

County, Oregon, as grantor(s), herein called "Borrower," and the Farmers Home Administration, United States Department of Agriculture, acting through the

State Director of the Farmers Home Administration for the State of Oregon whose post office address is P.O. Box 1328 Klamath Falls

, Oregon 97601, as trustee, herein called "Trustee," and the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, as beneficiary, herein called the "Government," and:

WHEREAS Borrower is indebted to the Government as evidenced by one or more promissory note(s) or assumption agreement(s), herein called "note," which has been executed by Borrower, is payable to the order of the Government, authorizes acceleration of the entire indebtedness at the option of the Government upon any default by Borrower, and is described as follows:

<u>Date of Instrument</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Due Date of Final Installment</u>
8/20/1981	47,550.00	13.25%	8/20/2014

And the note evidences a loan to Borrower, and the Government, at any time, may assign the note and insure the payment thereof pursuant to Title V of the Housing Act of 1949 or any other statutes administered by the Farmers Home Administration;

And it is the purpose and intent of this instrument that, among other things, at all times when the note is held by the Government, or in the event the Government should assign this instrument without insurance of the note, this instrument shall secure payment of the note; but when the note is held by an insured holder, this instrument shall not secure payment of the note or attach to the debt evidenced thereby, but as to the note and such debt shall constitute an indemnity mortgage to secure the Government against loss under its insurance contract by reason of any default by Borrower;

And this instrument also secures the recapture of any interest credit or subsidy which may be granted to the Borrower by the Government pursuant to 42 U.S.C. §1490a.

NOW, THEREFORE, in consideration of the loan(s) Borrower hereby grants bargains, sell, conveys, warrants and mortgages to Trustee the following described property situated in the State of Oregon, County(ies) of Klamath

which said described real property is not currently used for agricultural, timber or grazing purposes:

That portion of Block 26 of Bowne Addition to the Town of Bonanza, lying Southerly of the Southerly right of way of State Highway #70, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.