Vol. m88 Page 10959

After recording return to: US BANCORP MORTGAGE COMPANY 555 SW OAK PL-5 031 PORTLAND, OR 97204 Attn Insuring

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Carphonic Contractor Nurrewar and Lender coverant and agree as follows: 1. Payment of Principal and Interest; Preusyment and Late Charges: Barrower shall premitiv nay where the LN 1362719 (isonu sub region) Stell bac mom sugary van brie abok sid) va Disarsbrys tash ant no vertuan bat in ingunançed: 2. Fonds for Taxes and Insurance. Subject to applicable taw or to a written waiver by Lander. Borrowersh X20002 In (227749 "some and the and the Vote, and the Note is paid in full a sum ("funds" (477525) N ine reaction over this second associate which may attain priority over this second, instrument divisently And the main of the states and assessments which may attain proving over this security instrument (which is carb besended partments of ground tents on the Property. If any, (c) yearly baard insurance promising summer and the particular main equations of any recounter of the security of the security of the security of the security of the base of partmer data and tentor the security of the securit

NOTICE: THIS LOAN IS NOT ASSUMABLE WITHOUT THE APPROVAL OF THE VETERANS ADMINISTRATION OR ITS AUTHORIZED AGENT. Encloser may agree to be made the interest of the second o

19.88. The grantor is THOMAS T. JOHNSON AND PATTI M. JOHNSON

BANK OF LIACUTWARD ("Borrower!) of the state sta

Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly This Security Instrument secures to Lender (a) the representation of the date of the date. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Renovariants and agreements under this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower Sa covenants and agreements, understans security instrument and the role. I of this property Borrower of sale, the following described a property located in the Methanian Mathematic Property located in the Methanian Mathematic Property located in the Methanian Mathematic Property located in the Methanian Methanian Methanian and the Property located in the Methanian Methanian Methanian and the Property located in the Methanian Methanian and the Property located in the Methanian Methanian Methanian and the Property located in the the Property located

(a) Borrowers and promptly discharge any lien which has priority over this Security Instrument unless Borrowers (a) Borrowers in good Borrowers in good in a state of (d), non-the state of the state of (ath the lien by, or delends against enforcement of the lien in, legal proceedings of Constants and the holder of the lien an prevent the enforcement of the lien of any part of the Property. or (c) secures from the holder of the lien an agreenced satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Frequency is subject to it lies, which may attain priority over this Security Instrument, Lender may give Borrower a nonce identifying the liest flortower shall satisfy the lien or take one or more of the actions set forth above within 10 days

5. Havard Insurance. Borrower shall keep the improvements now existing or hereafter effected on the Property astion to shirtle shirtle insured around lose by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires materance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be

All metraace policies and renewals shall be acceptable to Lender and shall include a standard mortgage clauses bishduw (lachaecsinu Lender shall have the right to hold the policies and renewals. If Londer requires, Borrower shall promptly give to Lender alfreesapts of paid promums and renewal noticess in the event of loss. Borrower shall give prompt notice to the insurance corrier and Londer Lender way make proof of loss if not made promptly by Borrower.

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ticless Lander and Barrower Otherwise agree in writing, any application of proceeds to principal shall not extend or to binate ton liefs ingining of abaseorg to nolicoligge yne, gnitter diabage selected to everted binatebre i colicit. If anomyzed sit to muome adderess of the 1 adderessing of the constraint of the selected binatebre is another of the selected address of the 12411 OVERLAND DRTVE and of the selected address of the se

foregoing is referred to in this Security Instrument as the Property: thoose with an bomanous and

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record, it guodiff a strategy and that the Property against all claims and demands, subject to any encumbrances of record. This Security Instrument combines uniform, covenants, for national use and non-uniform, covenants with alimited variations by jurisdiction to constitute a uniform security instrument, covering real property. alimome variation

Security instrument. Unions Borrower and Lender agree to other ferms of payment, these amounts shall bear interest from the date of distrustment at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower OREGON-Single Family-FNMA/FHLMC UNIFORM INSTRUMENT

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OREGON-Sensis Family-FUMA/FHLMO UNIFORM INSTRUMENT

Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property I ender's actions may include paying and sume secured by a lien which has priority over this Security. in the Property Lender's actions may include paying any sums secured by allien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph'7, Dender does not have to do solver. The MUATEMLY TRADes and

Let the snall not merge unless Lender agrees to the merger in writing to the snall not merger in writing to the snall not merger in writing to the snall not solve the snall of the snall o

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this

Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of dichursement of the Note and shall be payable with interest transmission for Landar to Borrower

the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or the due date of the mount of the normalized to be applied to be appl postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph. 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting 6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially 6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold. Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing. The Property is the Property the leasehold and the Property in the Property Morrower Instrument is on a leasehold and the Property in the Property Morrower Instrument is the property in the Property Morrower Instrument.

of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the or the ripperty damaged, it the restoration of repair is economicany reasone and security is not ressence. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sume control by this Control Technical whether or not then due with any access paid to Borrowar If applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If applied to the sums secured by this becurity instrument, whether or not then due, with any excess pair to borrower. It Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin

Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair

requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender

agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good agrees in writing to the payment of the oongation secured by the neutral a mannet acceptable to bender, (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to be the bolder of the lien and the bolder of the lien and the lien a faith the lien by, or detenus against emorcement of the lien in, legal proceedings which in the Lender's optimion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an any part of the Secures from the holder of the lien and the lien to this Secures in the forder determines that any part of the lien to this Secure in the forder determines that any part of the lien to this Secure in the forder determines that any part of the lien to this Secure in the forder determines that any part of the lien to this Secure in the forder determines that any part of the lien to the Secure in the forder determines that any part of the lien to the Secure in th agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument. I Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days

the: third, to amounts payaole under paragraph 2; tourth, to interest due; and last, to principal due. Property, which may attain priority over this (Security) Instrument? and leasehold payments or ground rents. If any, Borrower shall pay these obligations in the manner provided in paragraph 2; or if not paid in that manner, Borrower shall Pay them on time directly to the person owed payment: Borrower shall promptly furnish to Lender all notices of amounts in the person owed payment: Borrower shall promptly furnish to Lender all notices of amounts in the person of the person bay them on time directly to the person ower payment: borrower shan promptly in this to be not the paragraph. If Borrower makes these payments directly. Borrower shall promptly furnish to Lender s evidencing the payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a)

application as a credit against the sums secured by this Security Instrument, withous 2. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied. first, to late charges due under the Note; second, to prepayment charges due under the Note: third, to provide payable under paragraph 10 fourth, to interact due and test, to prepayment charges due under the paragraphs 1 and 2 shall be applied: first, to late charges due under the 190te, second, to prepayment Note: third, to amounts payable under paragraph 2, fourth, to interest due, and last, to principal due.

than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of the sale of the time of the Security Instrument.

any Funds held by Lender. If under paragraph 19 the property is sold or acquired by Lender, Lender shall apply, no later

amount of the Funds held by Lender is not sumcient to pay the escrow items when due. Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender. Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower

an borrower's option, either promptly repaid to borrower or credited to borrower on montally payments of runds: if the amount of the Funds held by Lender is not sufficient to pay the escrow items when due. Borrower shall pay to Lender any

shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the shall give to borrower, without enarge, an annual accounting of the runus showing creats and debut to the runus and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by MORNING and the runus secured by If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to If the amount of the Funds new by Lenger, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds: If the

one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument: (b) yearly leasehold payments or ground rents on the Property, if any, (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items. The 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 the escrow items. Lender may not charge for holding and applying the Funds analyzing the account of verifying the escrow items. Lender may agree in writing that interest shall be naid on the Funds. Unless an agreement is made or applicable law Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid. Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender the ball size to Borrower without charge an applicable accounting of the Funds the bound credits and debits to the Funds. Lender the ball size to Borrower without charge an applicable accounting of the Funds the bound credits and debits to the Funds and the

UNIFORM COVENANTS Borrower and Lender covenant and agree as follows: I. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due 1. Payment of Principal and Interest; Prepayment and Late Charges. Dortower shall promptly pay when and the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note NO REALTING 2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay 32 4. Funds for taxes and insurance. Subject to applicable law of to a written waiver by Lender, borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to written to Lender on the day monthly payments are due under the Note. 11117 to Lender on the day monthly payments are due under the note, until the note is paid in tuil, a sum (runds) equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument: (b) yearly if note (a) transfer the priority over this security instrument: (b) yearly

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this Security Instrument.

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The pise If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Berrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the oinsurance terminates in accordance with Borrower's and Lender's written agreement or applicable law (1997) 1.18. Inspection. Lender, or its agent may make reasonable entries upon and inspections of the Property. Lender

Dates

shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection. 9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower: "Monte of Security Security of the Property immediately before the taking. Any balance shall be

If the Property is abandoned by Borrower or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given. Lender is authorized to collect and apply the proceeds; at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

partial prepayment without any prepayment charge under the Note and the second partial prepayment without any prepayment charge under the Note of the second prepayment charge under the Note of the second prepayment of applicable laws has the effect of rendering any provision of the Note of this Security Instrument unenforceable according to its terms, Lender, at its option. may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies a permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice to Borrower. Any notice to Borrower any other address the directed herein or any other address Lender designates by notice to Borrower any notice to Borrower any notice to here address the directed herein or any other address Lender designates by notice to Borrower any not borrower any notice to borrow

in this paragraph. A local block in the second and the second and

Note are declared to be severable. 16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument. 17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior, written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

[ederal law as of the date of this Security Instrument, and burner of the security instrument, and burner of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period. Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. Borrower's Right to Reinstate... If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

19. Acceleration; Reneedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration uncer paragraphs 13 and 17 unless applicable low provides otherwise). The notice shall specify: (a) the default, (b) the action required to cure the

NON-UNIFORM COVENANTS Borrower and Lender further covenant and agree es follows.

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Bouowei, of Borrower shall not operate to release the lithiut of the sub-state to the state of the sub-state of borrower shall not operate to release the lithiut of the sub-state of the sub-sta modification of amorification of the sums secured by this Security Instrument practice by Lendes to any succession of Morrower shall not onergie to release the Lability of the societies of Horrower shall not onergie to release the Lability of the societies of Horrower shall not onergie to release the Lability of the societies of Horrower shall not onergie to release the Lability of the societies of Horrower shall not onergie to release the Lability of the societies of Horrower shall not onergie to release the Lability of the societies of Horrower societies of the societies of t 10. Borrower Not Released. Forbestance by Lender Mrt 3. Wolter. Extension of the increase parameter in 10. Borrower Not Released. Forbestance by Lender Mrt 3. Wolter. Extension of the increase parameter in Lender of amortization of the sums secured by this Security Instrument manies in Lender to any successive in Lender of amortization of the sums secured by this Security Instrument manies in Lender to any successive in Lender of amortization of the sums secured by this Security Instrument manies in Lender to any successive in Lender of amortization of the sums secured by this Security Instrument manies in Lender to any successive in the successive successive instrument instrument manies and successive instrument manies in the secure of the sums secure of the successive instrument manies in the sum secure of the sum secure of the sum secure of the sum secure of the successive instrument manies in the sum secure of the sum ntake an awaro or settic a ciann for damages, borrower taus to respond to Lender Winner Stodysaugrice date interpretation of the monthly participation of the mon

The undersigned is the holder of the note or 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 angethis Deed of Trustito the person of persons legally entitled thereto of angetus (he form sector of any held by you under

Date:

Adjustable: Rate: Rider: 10an scont [] Condominium Rideringun and States and The Panily Rider [273] Ind Graduated, Payment, Rider, 100 - Planned, Unit, Development, Rider Graduated, Payment, Rider, 100 and Annual An

24. Attorneys, Fees, As used in this Security Instrument and in the Note, "attorneys' fees" shall include any attorneys, fees awarded by an appellate court, it to Bottomar II a science and in the truth, attorneys the science and recorded together with beau.25 Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument: [Check applicable box(es)] diterer, an ipar the inferent of other part

44. Substitute Trustee, Lenger may from time to time remove Trustee and appoint a successor it usite to any Trustee appointed hereunder. Without conveyance of the Property the successor trustee shall succeed to all the title. power and duties conferred upon Trustee herein and by applicable law 23. Use of Property. The Property is not currently used for agricultural, timber or grazing purposes.

reconvey the Property and shall surrender; this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. baise 22. Substitute Trustee. Lender may from time to time remove Trustee and appoint a successor trustee to any

Property and to collect the rents of the Property including those past due. Any 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 Security, Instrument auto justinueur spail pa deemed to have been diven to Bottooret Ever c21. Reconveyance: Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to

expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made. chpressed or implied. The recitals in the Arustee's need shall be prima facte evidence of the truth of the statements made, therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not therein, a rustee shall apply the proceeds of the sale in the following of the sale (a) to an expenses of the sale, menuing, our not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person of persons legally entitled to it. 20. Lender in Possession. Upon acceleration under paragraph 19 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

manner, prescriben 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 any order. Trustee determines. 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 its designee may purchase the Property at any sale. of any previously scheduled sale. Lender or its designee may purchase the Property at any sale. Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty.

ensonable attorneys (co and topis of the enderte 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 any part of the Property is located. Lender or Trustee shall give notice of sale in the recorded in each county in which any part of the r roperty is tocated, Lender or Arustee shall give notice of sale in the manner, prescribed by applicable law to Borrower and to other, persons prescribed by applicable law. After the time required by applicable law Trustee without demond on Demonstration to the highert

19. Acceleration: Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's 19. Acceleration, rememes, Lenger shall give nutice to porrower prior to acceleration joinwhig porrower breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cure the date and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security. Instrument and sale of the Property. The notice shall further inform Borrower of the right to bring a court action to assert the non-existence of a default or any other secure of a default of any other action to assert the non-existence of a default of any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice. Lender defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice. Lender at its option may, require immediate payment in full of all sums secured by this Security Instrument 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 expenses incurred in purching the remedies provided in this permeases to including his be entitled to demand and may invoke the power of sale and any other remeates permitted by applicable law. Lender Shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to.

NON: UNIFORM COVENANTS Borrower and Lender further covenant and agree as follows:

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VA GUARANTEED LOAN RIDER

(For us with FNMA/FHLMC uniform instruments for

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Veterans Administration guaranteed loans) VA GUARANTEED LOAN COVENANT. In addition to the covenants and agreements made in the security instrument, Borrower and Lender further covenant and If the indebtedness secured hereby be guaranteed or insured under Title 38, United States Code, such Title and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of Borrower and Lender. Any provisions of the thereunder and in effect on the date hereof Shall govern the Fights, duties and liabilities of Borrower and Lender. Any provisions of the security instrument or other instruments executed in connection with such indebtedness which are inconsistent with said Title or Regulations, indeptedness which are inconsistent with said litle or Kegulations, including, but not limited to, the provision for payment of any sum in connection with prepayment of the secured indebtedness and the provision Connection with prepayment of the secured indeptedness and the provision that the Lender may accelerate payment of the secured indebtedness pursuant to Covenant 17 of the security instrument, and hereby amended or negated to the avtent percessary to conform such instruments to said Title pursuant to covenant 17 of the security instrument, and nereby amended of negated to the extent necessary to conform such instruments to said Title 2. This loan is immediately due and payable upon transfer of the property Inis loan is immediately due and payable upon transfer of the property securing such loan to any transferee, unless the acceptability of the assumption of the loan is established pursuant to section 1817A of chapter 37, title 38, United States Code. Funding Fee: A fee equal to one-half of one percent of the balance of this loan as of the date of transfer of the property shall be payable at Funding Fee. 3 this loan as of the date of transfer of the property shall be payable at the time of transfer to the loan holder or its authorized agent, as trustee for the Administrator of Veterans Affairs. If the assumer fails additional debt to that already secured by this instrument, shall bear interact at the rate herein provided and at the option of the payee of interest at the rate herein provided, and, at the option of the payee of the indebtedness hereby secured or any transferee thereof, shall be immediately due and payable. This fee is automatically Waived if the assumer is exempt under the provisions of 38 USC 1829(b). Processing Charge. Upon application for approval to allow assumption of 4 this loan, a processing fee may be charged by the loan holder or its authorized agent for determining the Credit worthiness of the assumer and authorized agent for determining the Credit worthiness of the assumer and subsequently revising the holder's ownership records when an approved transfer is completed. The amount of this charge shall not exceed the maximum established by the Veteran's Administration for a loan to which section 1817A of chapter 37, title 38, United States Code applies. 5. Indemnity Liability. hereby agrees to assume all the obligation is assumed, then the assumer the If this obligation is assumed, then the assumer nereoy agrees to assume all the obligations of the veteran under the terms of the instruments creating and securing the loan, including the obligation of the veteran to indemnify the Veterans Administration to the avtent of any claim navment amining from the durants of including the extent of any claim payment arising from the guaranty or insurance of the IN WITNESS WHEREOF, Borrower has executed the VA Guaranteed Loan Rider. After recording, return to: U.S. BANCORP MORTGAGE COMPANY 555 S.W. Oak Street, PL-5 Portland, Oregon 97204 Attn: Loan Closing THOMAS JOHNO Borrower nen know VA GUARANTEED LOAN RIDER - 3/88 REVISED JOHNSON Borrower

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Upon application for approval to allow assumption of

<u>Processing Charce</u> Upon application for approval to allow assumption of sinis loan, a processing fee may be charged by the loan holder or its suchorized agent for determining the credit worthiness of the assumer and suchorized agent for determining the credit worthiness of the assumer and suchorized agent for determining the credit worthiness of the assumer and suchorized agent for determining the credit worthiness of the assumer and suchorized agent for determining the credit worthiness of the suchorized agent for determining the credit worthiness of such a loan to which transfer is completed. The amount of this charge shall not acceed the maximum established by the Veterari's Administration for a loan to which such a lair of chapter 37, title 38, United States Code applies. If this obligation is assumed, then the assumer

Indemicis itsolitizy if this poligation is assumed, then the assumer the horizon that the veteran under the horizon is descented including the horizon the the veteran under the horizon the the veteran under the horizon to the horizon to the veterants of the veterants weterants whether the veterants weterants when the the veterants weterants whether the veterants weterants weterants whether the veterants weterants terras of the distruments creating and securing the loan, including the boligation of the veceran to indemnify the Veterans Administration to the obligation of the payment arising from the guaranty or insurance of the estate of any claim payment arising from the guaranty or insurance of the (adoined the this aretringent Engeneration and by the instrument.

IN WITNESS WEREDE . BORROWER has executed the VA Butranteed Loan Rider. PUNSON 210MAS 5AN

Alter recording. restra to: Porcland, Oregon 91204 Atta: Loan Stoatas

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AN GUARANTEED LOAN RIDER 5 3/88 REVISED