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Volmas Page 29356 **VELEE BECOUDING WAIR LOS** option, obtain coverage to protect Lender's rights in the Property in accordance with Property insured analysis loss by Irro, hazards included within the term, extended coverage, and any other hazards.

Besnetty insured analysis loss by Irro, hazards included within the term, extended coverage, and any other insurance and the maintenined in the amounts besnetty in the amounts of the last series of the insurance shall be chosen by Borrower by Borrow

5. Hazard or Property Insurance. Borrower shall keep the Improvements now existing or hereafter erected on the fraction to the insurance and the insurance of the fraction insurance and the following Borrower shall satisfy the lien or take one or more of the actions set forth above within, to days of the giving of notice. to a lien which may attein priority over this Security instrument, Lender may give Borrower a notice Identifying the lient to a lien which may attein priority over this Security instrument, Lender may give Borrower a notice of the actions and several contract the lien or take one or more of the actions and lead on the contract of the actions and lead of the action and lead of the actions are actions as a lead of the actions and lead of the actions are actions and lead of the actions are actions as a lead of the actions and lead of the actions are actions as a lead of the action and actions are actions as a lead of the action and actions are actions as a lead of the action and actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a lead of the action actions are actions as a l FOWN NO DE 418.5 Us The lien to this Security instrument. If Lender determines that any part of the Property is subject operate to prevent the enforcement of the hen; or (c) secures from the trouble of the lieu and agreement earliered of the hen; or (c) secures from the arrival agreement earliered of the hen; or (c) secures from the arrival agreement earliered of the lieu and agreement earliered of the lieu arrival agreement earliered earlier

Borrower shall promptly discharge any lie DEED ROE (LEAST) is Security instrument unless Borrower. (a) egrees in writing to the payment of the obligation and the lieutestation in the lieutestation of the lieutestation o

TO CHARL LESS DEED OF TRUST ("Security instrument") is made on the view plents 5 to 1.9 9.3 to 2.7.9 p. 3 to 2.7.1 be granter is to be a contract. 65 Lent 186 pp line directill struig equality wed payment. Borrower shall promptly turnish to Lender all notices of annual and an increase of the second structures and increase of the second structures and the second structures and the second structures and the second structures are second structures and the second structures are second structures and second structures are second structures. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that marines, Bottomet shall but these oplications in the manner browded in baradiably 5' or through the trust manner browded in the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary is a specific part of the trust manner beneficiary in the trust manner beneficiary i ("Borrower").

Dollars (U.S. \$ 7.4 10.0 10.0 0 (Linux)). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on Decrember 1902 02 3 10 This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (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 Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose,

Borrower irrevocably grants and conveys to Trustee; in trust, with power of sale, the following described property: located in it k it a m act is a Funds in accordance with the requirements of applicable law Connty! Ocedou: the Funds held Lighes 8 ind 8 10 ckly4 Cathact CNO 1110 6410 FIRST WADDITION FOR GATEWOOD HAY the County recently

Fundt skijamath "State kotil Oregon for all sums secured by this Security Instrument. Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The that interest shall be paid on the Funds. Lander shall give to Borrower, without charge, an annual accounting of the provides otherwise. Unless an agreement is made of applicable law requires interest to be paid, Londer shall not be required to pay Borrowor any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, the part of the family of the Funds of the family o independent real estate tax reporting service used by Lender in connection with this toan, unless applicable law pemaits Lender to make such a charge. However, Lender may require Sorrower to pay a one-time charge for an independent rest certain respectively a section make the loop, unless and the last address desired to the consection with this loop, unless and the loop and t escrow account, or varifying the Escrow Items, unless Lender pays Borrower interest on the Frunds and applicable law pay the Escrow items. Lender may not charge Borrower for holding and applying the Funds, abrually analyzing the accrow items infered and applying the Funds, abrually analyzing the accrowment or veribility the Forrow items infered and applying the Funds, and are fortunated as the forest and The Funds shall be held in an institution whose digosits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Fonds to any the Federal Home Loan Bank. Lender shall apply the Fonds to any the Federal Home Loan Bank. Lender shall apply the Federal Home Loan Bank. Lender is such as high the federal Home Loan Bank. Lender shall apply the Federal Bank. Lender shall apply the Federal Bank. Lender shall apply the Federal Bank. Lender shall apply the Ban

accordance with applicable law, due on the basis of current data and reasonable estimates of expenditures of future Escrow items or otherwise in time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds and the barie of funds of funds of funds and the lesser and the lesser amount. 2601 et seq. ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any adjust a sequential of the second that applied and may always to a second the lesser amount of the second that applied and that applied a second that applied a account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. 8, 5801 at said PRESPAN unless another taus that are another taus that are another taus that another taus that are also that are another taus that are also that are another taus that are also that are another taus that are also to exceed the maximum amount a lender for a federally related mondage loan may require for Borrofish a section Oxedound poyme 8's engrenant to (Excobert Aggress.); engren hearence premiums in sing and to any same provident (d) yearly flood hearence premiums, if any; (e) reading mortgage meanence premiums in a contract of the payment (Oxide a premium). If any contract of the payment (Oxide a premium) is any; (e) reading the flood hearence of the payment (Oxide a premium) is a contract of the payment (Oxide a premium). It is a contract of the payment (Oxide a payment of the pay

young taxes and [Sib Code] ento which may estain priority over this Security instrument as a lies on the Proposity (b) young TOGETHER WITH all the Improvements now or hereafter erected on the property, and all easements

appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully selsed 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 eucrimpusuces, of records diction to constitute a uniform security instrument covering real properties.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with

OREGON-SINGLE FAMILY-FNMA/FHLMC UNIFORM INSTRUMENT ISC/CMDTOR//0291/3038(9-90)-L PAGE 1 OF 6

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THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with elimited variations by jurisdiction to constitute a uniform security instrument covering real property.

AGUEUNIFORM COVENANTS!Borrower and Lender covenant and lagree as follows: **SURE** APPLIES FOR SURE APP

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note of parties security transmitted by the Note and any prepayment and late charges due under the Note of parties security transmitted by the Note and any prepayment and late charges due under the Note of parties security transmitted by the Note and any prepayment and late charges due under the

2 Funds for Taxes and Insurance. Subject to applicable law or 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") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 et seq. ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. 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. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

PAGE Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

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 to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (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 prevent the enforcement of the lien; or (c) secures from the holder of the lien an 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, 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 of the giving of notice.

5. Hazard or Property 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, including floods or flooding, for which Lender 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. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

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All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. 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 carrier and Lender may make proof of loss if not made promptly by Borrower on the product with those

Of Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is economically feasible and Lender's security is not lessened. If shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower, if 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 when the notice is given.

The 30-day period will begin when the notice is given.

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 the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security Interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If Borrower falls to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture 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. Lender's actions may include paying any sums secured by a lien 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, Lender does not have to do so.

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

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender tapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insure approved by Lender: If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

any 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, he brobard, the broceaus shall be paid to Lender, he brobard, the broceaus 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 in Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property instrument of the which the fair market value of the Property immediately before the taking, unless Borrower and Lender otherwise agree sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by in writing, the sums secured by this Security Instrument shall be reduced by the taking divided by the the fair the fair the fair the fair that the fair the fair the fair that t 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. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the snms are then die! of morgage insurance. Loss reserve payments

paid If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to emake an award or settle a claim for damages; Borrower falls 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.

11. Borrower Not Released; Forbearance By Lender Not a Walver. 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 Borrrower'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.

12. 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.

13 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.

14. Notices. Any notice to Borrower provided for in this Security instrument shall be given by delivering it or by 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 mall to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security instrument shall be deemed to have been given to Borrower or Lender when given

as provided in this paragraph.

as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the 15. Governing Law; Severability. This Security Instrument or the 15. In the event that any provision or clause of this Security Instrument or the 15. In the event that any provisions of this Security Instrument or the Note Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable. Note are deciared to be severable. The solder if August and applicance in the Note and of this Security Instrument.

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.

If Lender exercises this option, Lender shall give Borrower notice 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 falls 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.

Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall prompit give to Lender All inquirance policies and renewals shall be acceptable to Lander and shall include a standard montgage clause. LOAN NO. 57 2 EOUM 3038 8/80

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LOAN NO. 6 4 2 2(7,2 1 000 a 200

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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 as if no Borrower: (a) pays Lender all sums which then would be due under this Security instrument and the Note as it no acceleration had 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

no acceleration had occurred. Prowever, this right to reinstate shall not apply if the case of acceleration dides paragraph. 17. The note is a partial interest in the Note (together with this Security 19. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There (known as the "Loan Servicer") that collects monthly payments due under the Note. If there is a change of the Loan also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will also contain any other information required by applicable law. made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances. Dorrower shall not cause or permit the presence, use, disposal, storage, of release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

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

21. Acceleration; Remedies. 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 under paragraph 17 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 cured; and (d) that failure to cure the default on or before the date specified in the notice may default must be cured; and (d) that failure specified by this security is the date of the Brenact. result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall result in acceleration of the sums secured by this Security instrument and sale of the rioperty. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or 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 at its option may require immediate payment in full of 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 pursuing other remedies provided in this paragraph 21; including, but not limited to, reasonable attorneys' fees and costs of his Georgia historique, and in the More,

If Lender Invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the following defended or implied. The recitals in the Interest is located. Lender or Trustee shall give 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 manner prescribed by applicable law to Borrower and to other persons prescribed by applicable law to Borrower and to other persons prescribed by applicable law. Trustee, without demand on Borrower, shall sell the applicable law. After the time required by applicable law, Trustee, without demand on Borrower, shall sell the applicable law to Borrower and place and under the terms designated in the Property at public auction to the highest bidder at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale. Trustee, and attendable continue to the interest of the Property at any sale. Trustee and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale. Trustee, and attendable continue to the interest 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. Trustee, without demand on Borrower, shall sell the any part of the Property at any sale. Trustee, without demand on Borrower, shall sell the any property at any sale. Trustee the property at any sale and place of any property at any property at

OREGON-SINGLE FAMILY-FNMA/FHLMC UNIFORM INSTRUMENT PAGE 5 OF 6 ISC/CMDTOR//0291/3038(9-90)-L

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DREGON—SINGLE FAMILY—FRMA/FHLMC UNIFORM INSTRUMENT Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all the statements made therein. Trustee shall apply the proceeds of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums extracted by this Security Instrument, Lender shall request Trustee secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this to reconvey the Property without warranty and without charge to the person Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally emitted to it. Such person or persons shall pay any recordation costs. Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or 23. Substitute Trustee. Lender may from time to time remove Trustee and appoint a successor trustee 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. Attorneys' Fees. As used in this Security Instrument and in the Note, "attorneys' fees" shall include any tattomeys' fees awarded by an appellate court me indust) pur not limited to, rescouspic and me 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 Recruit light in Borrower of the right to relative after acceleration and the right to bring a court perior to passe Secritify lustriment; [Check abblicable pox(es)] these of Borrower to acceleration and knim, if the distant is not Adjustable Rate Rider nus seemen palli Condominium Rider is sun 2014 on the 124 Family Rider GREAT Adjustable Hate Hider (Has regime to Planned Unit Development Rider | Blweekly Payment Rid Biweekly Payment Rider brea [F : Other(s) [sbect[v]]: agreement in this Security Instrument (but not prior to acceleration under paragraph BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it, and added as tollows: Jurisdiction where the Property is located that relate to health, safety or environmental protection. cubstances by Environmental Law and the following substances greatines by Environmental Law and the following substances greatines by Environmental Law Ostation States of the Law series of the law o As used in this paragraph 20, "Hezardous Substances" are mose substances delined as to do or nazardous y remedi Social Secretis Number 4 1 4 - 9 5 - 9 9 2 8 Leav. Bonower shall promptly give Lender written notice of any investigation, claim: demand, low-using enter action by any gonorman and any investigation, claims demand in the second of enter action by any gonorman and any investigation and any investigation of the second o Social Security Number, Less faultal nase and to majureuseco Social Security Number presence, use, or storage on the Property of small quantities of Hazardous Stinstances diot are generally recognized to affecting the Property that is in violation of any Environmental Law. The preceding two senioners shall not apply to the of any Hazardous Substances on or in the Property. Borrows (**) 20. Hazardous Substances. Berrower shall not cause or pennicthe presence, use, districted atcraye, or resolumade. The notice will also contain any other information reguigocial Security Number East the notice will also contain and other internation reciprocal security number

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In would be one under this Sectifity instrument and the Note as if no inchested in the Note as if no inchested in the Note as if no inchested in the Sectifity instrument, including, but not limited in the Sectifity in the Note of No enforce (a) pays contract any flat meets certain conditions, Borrower shall have the right to have as apply as a property pursuant to any time prior to the property pursuant to any power of sale contained in this Security instrument. These conditions are that Borrower (a) pays contained the Borrower (a) pays contained to would be due under this Security Instrument and the Note as it no any pays contained to any default of any other covenants or ancemental field bays all exponents incurate. 29360 FOVEL AO 18 % FORM 3038 9/90 OREGON-SINGLE FAMILY-FNMA/FHLMC UNIFORM INSTRUMENT PAGE 6 OF 6 ISC/CMDTOR//0291/3038(9-90)-L STATE OF OREGON: COUNTY OF KLAMATH: ss. Aspen Title Co Filed for record at request of _ PM., and duly recorded in Vol. _ A.D., 19 93 at 3:47 o'clock __ on Page _ Mortgages Evelyn Biehn - County Clerk Queline Mullendere