LIVER RECORDING RETURN TO:

PIRST INTERSTATE BANK OF ORREON OF STATE OF THE SALTE WELL WELL WELL WELL WITH THE PAGE 42 RIS Quality Control of the first of the grant of the passence ind additions shall also be Ford the first of t All of the foregoing is referred to lathic Security Instrument as the "Property. P.O. Box 3131

Portland, loregonal 197208-3131 Emil also of the calar block 197208 1970 NEW COVENER OF THE PROPERTY OF THE PR CONVEYING Proparty and that this Property is uncucatehered, except for encumbrances of record, Borrower warrants and EMBY defend internally mention to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTAUMENT combines and on coverages for intrional use and non-uniform coverages with limited

kadanāns by jarisaliduon so con titolo a aniferm avendty insuluniem covering real property. UNIFORM: COVENANTS: Bemover and Leader covenent and agree as follows:

I. Payment of Principal at a Interest, Prepayment and Late Charges. Borrower, shall prompty pay when the principal of and three even insidely evidenced by the Note and may prepayment and two charges due under the Note.

Leands in Taxes and Inchrange Vableet to applicable law or to a writin warver by Lender, Borrower shall pay to Lendle on the day monthly paychents are due the the state of the state of the state are the state area and assessment which are the property of the state of the [Space Above This Line For Recording Data]

any, (c) years markene insurance premiums, TRUST all One DEED Remover to Leader, in accordance with the provesions of paragraph 8, in Lea of the paya TRUST age of the paragraph. These from a called "Escrow Henry." Lender may at any time; coliger and Hold Funds in an amount not in exceed the maximum amount a lender for a federally related mortgage lead may require for Borrower's escrow account mater the Orient Reaf Estate Settlement Procedures Act of 1974 as amended from time to time 12/1/5/C. Section 25(3) et seg. ("RESPA") unless another thy that applies to the Funds acts a descri ampent if so, Lender may, of my time, collect and hold builds in an amount not to execut the lesser amount Lender may osumate the properties Englishes on the basis of carred data and reasonable estimates of expendances of futore Escrew Rens of observice in accordance with applicable law.

THIS DEED OF TRUST ("Security Instrument") is made on smoli larged your February (01, 1994; The grantor is, 1 have Lender may not charge. Between the holding and anglying the bandally maleying the excess are a contribute Sind Excess turns, makes leader to a fill of the property of the Excess turns, makes a classical action of the Excess turns, and a classical action of the Excess turns, and the Excess turns, and the Excess turns are the Excess turns and the Excess turns are the how ever hencer may require Herrawer in pay a enceione theree for an independent real estate lax reporting service used by will state the connection with their land, the second law provides of the second can be the second to the second will be second to the second law provided the second law provided to the second law provided the second law provided to the second law provided the second law provided to the second law provided the second ended accounting of the timels, showing credits and debits to the funds and the purpose for which each debit to the Funds was dunde. The Funds for intelection of Junoual security for all sums secured by this Security Instrument.

("Trustee"). The beneficiary is 'r FIRST INTERSTATE BANK OF OKEGON, I'N'. A the least a standard of high a board as a standard of the standard P.O. BOX 3131, Portland, OR 97208-3131

show't you restanted or master themony limits booms I immunitant with ("Lender"). Borrower owes Lender the principal sum of and the mindred "ready fight Thousand" and 00/100 upon that reduced 15 depression in the most education of the state of th

This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for mountly payments, with the full debt, if not paid earlier, due, and payable on sourcest march 01, 12024. 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 a year on a promotive arriver as in a stand of a Klamath many limbs reversed where it susmitted as County, Oregon;

Lot 11 in Block 2 of Tract no 1120; SECOND ADDITION TO EAST HILLS ESTATES! according to the official plat thereof charite in the office of the additionance and on minute country clerk of the office of the constant plat thereof chart in the configuration of the configuratio The Security December 1. Linder decembers that any part of the Property is subject 00 900 action 1. U. Demonstration of the Articles of the Control of the C Securicy Instruction Hander may give Horrower a mailed identifying the tien. Borrower shall satisfy the lien or fixed income or more of the ecusive set forth share within 10 days of the giving afronce;

5. Harfard in Property Insurance Moreover, and Leep. the improvements now exiguos, in nortaling crecied on the

Property stearest searing its twelter historic included within the term "extended coverage" and any other linearis, including the decinal or The includes a facilities or The included the facilities of the periods. Minth shift and be mented to receive the providing the insulative shall be chosen by Borrower subject to Linda's approval which shall be included above. Leader may, in Londer's which shall be included above. Leader may, in Londer's opular, que un conserve to prevent Lierder's rights in the property in the executive walk paragraph A

IStreet, Cityl.

which has the address of 2221 Kimberly Drive, Klamath Falls ("Property Address"); 97603 Oregon

[Zip Code] OREGON - Single Family - FNMA/FHLMC UNIFORM INSTRUMENT

Form 3038 9/90 Amended 5/91 -8R(OR)(9212)

VMP MORTGAGE FORMS - (313)293-8100 - (800)521-7291

Page 1 of 6

TOTO FLOOR FENANCION SO

POGETHER 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 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.

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

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

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.

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. Section 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.

1515-80578 80 , braining 1516 803 0.9 1333407 monthly payments, at Lender's sole discretion.

(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

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; soll (c) included or science due interest due;

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the 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.

[Suret Cut]

which has not iddress of 2121 Kircherly Orlyo, Klasoth Palls 97603 ("Property Address"):

(ab 1) qual

THE MUNICIPAL AND STATE OF THE STATE OF THE

nale scoc and T telle bebround

ele belinnina | Pastingedolp (eous exclusive autor 322) | Autority |

422A **4225**5

HAll, insurance polities 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, Lender, may make proof of loss if not made promptly by Borrowert no. 1 Day 12 would seeking guidant sale on held floint beneat technique at

To Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened; the insurance proceeds 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 a ground will be

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, parent done to muonat out evoleds to S ban I administration 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, agreed neal realists to perform the covenants and agreements contained in 14.7. Protection of Lender's Rights in the Property. If Borrower fails 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 As of herest bed linds only not bottom redoms in sea country and olderings seeing from early tent your 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 sampled

8. Mortgage Insurance. 11f 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 lapses or ceases to be inteffect. 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 insurer 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 these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at 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 Leitder or applicable lawing reciprocal plant.

vii9. Inspection ... Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection, that rewormed it transmitted 10. Cendemnation. 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 coforcement of this Sotutor Insurance discontinued all any time prior to the cultar of (a) 5 days (or rabha-fin bipq ad llada applicable law may apacify for retristactingly relore salm of the troperty ranstagin to any power of sale contained to this Security lastiument or (b) care of a judgoran extureng this Security historical Those conditions are that Bornwert (a) pays Lender all suffice their sends become which then send to be accurred this Security Instrument and the Note as if no acceleration had occurred (b) cares any default of any other covenium or hors are tars (C) pays all expanses incorred in enforcing this Security Instrument, including that any limited regressivable attorneys) feets and (d) lakes such action as Lender may reasonably require to assure that me tien of this Security instrument, Lender frichts in the Property said Borrower's obligation to pay the sums second by this Security psymment shall common auchanized. Opon relutivity in Borrower, dus Security Instrument and the configurate secured hereby shall concin that effective as a precent radical hall excurred. However, this right to religious fool not apply in the case of

Ferm 2020 9/90 -6R(OR) (9212)

Page 3 of 6

Form 3038 9/80 min Inter whether or not then due, with any excess 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 equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, 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. 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 sums are then due.

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 a samulation of light shows the property of the property of the sums secured by this Security Instrument, whether or not then due a samulation of light shows the property of the sums secured by this Security Instrument.

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, and post of the payments.

abili 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 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 infexercising any right or remedy that have a waiver of or preclude the exercise of any right or remedy. To summand allows allows any any successors are interest.

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.

It of 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 a Borrower of a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charges under the Note, and make this reduction will be treated as a partial prepayment without any prepayment charges under the Note.

by first class mail unless applicable law requires use of another method. The notice shall be given by delivering it or by mailing its 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 provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph, with a forecantidate

instrument snar be deemed to have been given to bottown to be represented by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note of conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be a given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable. A beyong a causal aggregation standard as more leading to be severable. A beyong a causal aggregation standard as more leading to the Note and of this Security Instrument. This manded

o: lc16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security historical states 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 and Borrower is not a natural person) without of the property or any interest in Borrower is sold or transferred and Borrower is not a natural person) without of 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 is Security Instrument. Supply on the land, oversee seed a shirten of the land, oversee seed a shirten of the land of this is 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 idelivered on 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.

It is security instrument to Reinstate. It is 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 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 paragraph 17.

Page 4 of 6

Form 3038 9/90

21119. Sale of Note; Change of Loan Servicer, All The Note of 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 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 state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law. Le Phinned Unit Development Kider Codupted Paymont Rider

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or 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, lawsu

governmental 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

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 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 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 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 the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender 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 manner prescribed by applicable law to Borrower and to other persons prescribed by applicable law. After the time required 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.

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 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 limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

22. Reconveyance. Upon payment of all sums 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 Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and sachanted up to the person or persons legally entitled to it.

Such person or persons shall pay any recordation costs. Initial property initial

23. Substitute Trustee. Lender may from time to time remove Trustee 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

24. Attorney's Fees. As used in this Security Instrument and in the Note, "attorneys' fees" shall include any attorneys' fees

awarded by an appellate court.

25. Riders to this Security Instrument: If one of more riders are executed by Borrower and recorded together with this	
Security Instrument, the poveriants and agreements of each such rider are executed by Bolrower and recorded together with this the coverants and agreement of this Security Instrument, and agreement of this Security Instrument and small amend and supplement.	
[Check applicable box(es)] and affine the side of the state of the sta	
Graduated Payment Rider C Diagnost Vision	
THE IN PARTS - DIVINE RIGHT RI	
of the V.A. Rider is produced to select an employee for the control of the contro	
20. Haratershin shoot because the free shall not sold in the major shall be a considered to the control of the free shall not be the free shall not be presented to the presence, use, it such that is in violation of any free majorship. The preceding two sold is a property of shall quantities of the actions. Sold that is the specific of the presence, use, it such that is the shall quantities of the actions. Sold that are generally recognized to be appropriate to assume residential uses.	
and to manuscinate of the Property.	
and to militarionee of the tropolty. Reference shall promptly give Lender writen poice of any investigation, claim, demand, lowent or other nector by any newtoness shall promptly give Lender writen programmed by the Property and any Harardone Substance or Environmental Law novemental or egulaters, agency or private party involving the Property and any Harardone Substance or Environmental Law	
BY SIGNING BELOW, Borrower accepts and agrees to the terms and coverants contained in this Security 1970	
BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any inder(s) executed by Borrower and recorded with it. Witnesses: add a probability of the probability of the terms and covenants contained in this Security Instrument and in the any inder(s) executed by Borrower and recorded with it. Witnesses: add a probability of the p	
necessary rometical actions in accordance with flavious critical law. As used in this period of the control of	
Explain the Colling of the Colling o	
Personnel flerbrates, versus noesteen level of the personnel of the person	
to health, safety or environmental protections is $\Delta V/I$	
(B) VEUNIFORM COVENANTS, Bonoiss Just adacture coverant and agree as follows:	
seeing v. nearming wind hollering in the first the delivered E. Gilbertson This holl the tenders to	
a date, and less than 30 days from the date the make is given in and where the date and date.	
after acceptance and the remaining a court maner, to be seen that the court of the property Leader at its	
STATE OF OREGON to to another the state of the state of the Security Instrument of the Security Instru	
an On this 2 and small ten day of the February stranger with it believes 1994 and personally appeared the above named the	
attorneys' fees and control file evidence, be sidence, be believed. But a control for a Machanile and believed to be believed in the process of the process of the process of the control for any part of the Property as well as a relative to the process of the pr	
The rest of the part of the Property is an extend of the Property is an extended for the part of the part of the Property is an extended for the part of the Property is an extended for the part of the Property is an extended for the part of the Property is an extended for the part of the Property is an extended for the part of the Property is an extended for the part of the Property is an extended for the part of the Property is an extended for the part of the Property is an extended for the Property is a	3.1
My Commission Expires: 4/20/96 indicate in hadroscarq can be all the removable of well ald calling an indicateng	
applicable law, trustee, without demark, we trouve the trustee of the control of	
determines. Augus Var Ourse India Law loar et hi the Property by public announcement at the time and place	
determines. Autre Var Octava (Name 2014) and the property of t	
expressed on included The rection of the grant beginned inche printed facility notary Duduy Yakton, Day of the contract of the	í.
COMMISSION NO. 014778; DES 0113) TENTO GREVENOT SELECTION SELECTION OF	
to the person or persons togally emided to the	
to the person or persons, against entired to the persons are the person of persons and persons and the person of the persons and shall surender this Security Instrument of the property and shall surender this Security Instrument in the property and shall surender this Security Instrument in the property and shall surender this Security Instrument in the property and shall surender this Security Instrument in the person of the person	
the frepeaty and shall surender this Scharty insumera man as near the construction of present or present legally excited to it. Trusted Trusted shall recovery the Process without warranty recovery to the present or present the construction of the	
23 Mestanta it latter beine their their table to success the succeed to all the tale, reserve and notice succeed to all the tale, reserve and notice	
STATE OF OREGON: COUNTY OF KLAMATH; ss.	
Filed for record at request of Mountain Title co	
of Feb. A.D., 19 94 at 11:00 oclock A.M. 44.1 de Company	
of Mortgages on Page 4222	
FEE \$35.00 Evelyn Biehn County Clerk	
By Queline Millendere	
一种的表面,这一点,这一点,我们就是一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个	23%

Form-2038 9(90)

Pagn A of S

Sieb (ROIRe- CED)