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DEC-11-94 THU 17:09

WHEN RECORDED MAIL TO:

Ameristar Financial Services, Inc. 1929 Sunrine Blvd., Suite 107 Citrus Heights, CA 95620

Loats #1 0004248589 Vol. m94 Page 36952

P. 03

P. 01

15 + 100 Above This Line For Recording Dates] - 47388 DEED OF TRUST

RCVD

THIS DEED OF TRUST ("Security Instrument") is made on DOFALD R. SISTEORE AND DANA L. SIMENORE

November 18th , 1994

FAX NO. 4509019

. The grantor is

, and whose

("Bonower"). The trusted is Quality Local Jervice Corp.

("Trugger"). The beaching is AMERISTAN FIRTNELAL SERVICES, INC. A CORPORATION, ITS SUCCESSORS , MC ASSIGNS which is organized and existing under the laws of Call Fornia Address is 5405 Morahouse Drive., Suits 330 . San Diego, CA. 92121

MILAILING TIMMVIHL

12-05-94A10:57

TEIRLY NINE TEOUSAND FOUR BUNDRED & 00/100

("Lender"). Bomower owes Lender the principal sum of

This debt is evidenced by Borrower's note dated the same date as this Security Instructent ("Note"), which provides for monthly Insument secures to Londer: (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 interset, advanced under paragraph 7 to protect the security of the intermediate of the performance of Borrower's coverants and spreaments under this Security Instrument; and (c) the performance of Borrower's coverants and spreaments under this Security Instrument and the Note, For this purpose, Borrower prevocably grants and conveys to Trester, in true, with power of sale, the following described

LOTS 9, 10, 11 AND 12, BLOCK 29, SECOND ADDITION TO THE CITY OF KLAMATH FALLS, ACCORDING TO THE OFFICIAL PLAT TUREOF ON FILT IN THE OFFICE OF THE COUNTY County, Oregon:

which has the address of Oregon 97601

Page 1 of a

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1804 LANCASTER AVENCE, RLAMATH FALLS, ("P. operty Address"); OREGON - Single Family - FNMA/FHLMC UNIFORM DISTA UNIENT H(DF)(0212).01 Form 3038 8/90 VUP/HORTGACE FORME - (800)22-7281 8 Matu: 25 /

[Sucat, City].



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R WITH all the improvements now or her eafler erected on the property, and all easements, appurtenances, and in hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument as the "Property." Instrument as the "Property." WER COVENANTS that Borrower is lawfully scised of the estate hereby conveyed and has the right to grant and WER COVENANTS that Borrower is unencumbered, except for encombrances of record. Borrower warrants and will Property and that the Property is unencumbered, except for encombrances of record.

WER COVENANTS that Borrower is lawfully scieed of the estate hereby conveyed and has the right to grant and Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will wally the title to the Property against all claim; and demands, subject to any encumbrances of record. SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited by jurisdiction to constitute a uniform security instrument covering; teal property. SECURITY INSTRUMENT combines uniform covenants for national use and variations by jurisdiction to constitute a uniform security instrument covering teal property. UNIFOR M COVENANTS. Borrower and Lender coven int and agree as ollows: UNIFOR M COVENANTS. Borrower and Lender coven int and agree as ollows: **1. Payment of Principal and Interest; Prepayment and Late Charges**. Interest on the debt evidenced by the Note and any prepayment and late charges. principal of and interest on the debt evidenced by the N ote and any prepayruent and late charges due under the Note. **2. Funds for Taxes and Insurance.** Subject to applicable law or us a written waiver by Lender, Borrower shall payments Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly leasehold payments and assessments which may attain priority over this Security Instrument 4: a lien on the Property; (b) yearly flood insurance premiums; (d) yearly flood insurance premiums; or ground rents on the Property, if any; (c) yearly ha and or property insurance premiums; (d) yearly flood insurance premiums; or ground rents on the Property, if any; (c) yearly ha and or property insurance premiums; (d) yearly flood insurance premiums; or ground rents on the Property, if any; (c) yearly ha and or property insurance premiums; (d) yearly flood insurance premiu **1. Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay we 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

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 of the lesser amount is a second ance with annlicable law.

otherwise in accordance with applicable law.

Borrower shall promptly pay when due the

and assessments which may attain priority over this !jecurity Instrument &, a lien on the Property; (b) yearly leasehold payments and assessments which may attain priority over this !jecurity Instrument &, a lien on the Property; (b) yearly flood insurance premiums, if any could rents on the Property, if any; (c) yearly ha and or property insur ance premiums. These items are called "Escrow items, any; (e) yearly mortgage insurance premiums, if any; and (f) any sums] ayable by Borrower to Lender, in accordance with the any; (e) yearly mortgage insurance premiums, if any; and (f) any sums] ayable by Borrower to Lender, in accordance with any; (e) yearly mortgage insurance premiums, if any; and (f) any sums] ayable by Borrower to Lender for a federally related any; (e) yearly mortgage insurance premiums, if any; and (f) any sums] ayable by Borrower to Lender, in accordance with provisions of paragraph 8, in lieu of the payment of nortgage insurance premiums. These items are called "Escrow Lender may, at any time, collect and hold Funds in an $x \operatorname{nount}$ under the foderal Real Estate Seutement Procedures Act of 1974 as mortgage loan may require for Borrower's escrow account under the foderal Real Estate Seutement Procedures are apprendiced. Lender may, at any time, collect and hold Funds in an 3: nount not to exc. 3ed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escroy, account under the fuderal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. Section 26(1) et seq. ("RESPA"). unless another law that applies to the Funds sets a lesser nortgage loan may require for Borrower's escrow account under the foderal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. Section 26(1 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 liens

otherwise in accordance with applicable law. The Funds shall be held in an institution whyse disposits 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 account, or verifying litems. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account. Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow ltems. 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 inverest 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

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 provide; 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. 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 Burrower any interest or earnings on the Funds. Borrower, without charge, an 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. 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 set ured by this Security Instrument. de. The Funds are pledged as additional security for all sums secured by this Security Instrument. If the Funds held by Lender exceed the remounts permitted to be held by applicable law, Lender shall account to Borrower for excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is If the Funds held by Lender exceed the requirements of applicable law. If the amount of the Funds held by Lender at any time is accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is sufficient to pay the Escrow Items when due. Lender may so notify Borrower shall make up the deficiency in no more than tweet of Lender's sole discretion. In only payments, at Lender's sole discretion. annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which 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 annlicable law. Lender

nthly 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 d by Lender. If, under paragraph 21, Lender shall acquire or sell the Pronerty. Lender, prior to the acquisition or sale of the

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, I ender 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. urity Instrument. 3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs and 2. shall be annlied: first, to any neuroyment charges due under the Note: second, to amounts navable under paragraph 2. Security Instrument.

 3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 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.
4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property. third, to interest due; fourth, to principal due; and last, to any late charges due under the Note. **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 directly to the directly obligations in the manner provided in yarzgraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the directly to the manner provided in yarzgraph 2, or if not paid in that manner. 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 under this paragraph. If person owed payments 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. person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this pa Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments. Borrower shall promptly discharce any lien which has priority over this Security Instrument unless Borrower. rrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments. (a) agrees in Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower. (a) agrees in good faith the lien in a manner acceptable to Lender. (b) contests in good faith the lien in a manner acceptable to Lender. 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

writing to the payment of the obligation secured by the lice 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 a lien which may attain priority over this this Security Instrument. If Lender (letermines that any part of the Property is subject to a lien which may attain priority over the y, or uccases against connectment or use uch in, reger proceedings which in use Lenger's opinion operate to prevent use of forcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien of the security Instrument. If Lender (letermines that any part of the Property is subject to a lien which may attain priority over this security Instrument, Lender may give B orrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within: 10 clays of the giving of notice. **5.** Hazard or Property Insurance. Borrower shall within the term "extended coverage" and any other the period of the against loss by fire, hazards included within the term coverage described above, Lender's approved to solve or flooding, for which Lender carrier providing the insurance shall be chosen by Borrower subject to Lender's a Lender's hat Lender requires. The insurance carrier providing the insurance with paragraph 7. That Lender requires to protect Lerder's rights in the Property in accordance with paragraph 7.

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All insurance policies at d natewals shall be t coeptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the pulicies 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 premiums and renewal nouces. In the event or 10%, Borrower shall give prompt nonce to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borriwe: otherwise agrees in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is of nonmically feasible and Lender's security is not lessened. If the restoration or renair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums

Property damaged, it the resultation or repair is cononneany reasone and Lender's security is not resoluted. It the resultation or repair is not economically feisible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums repair is not economically reasons or Lender's security would be ressented, 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 boarder that the insurance contact has offered to eather a dains then secured by this security instrument, whence of not men 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 I and a new collect the insurance meneods I and a new use the property or to poly sums assumed Property, or does not answer within 50 days a nonce from Lender that the insurance carrier has officient to sente a chann, unch Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured but the Standard will begin when the notice is given

by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given. The section of the monthly normanic referred to in variant of and 2 or change the amount of the normanic. If under normanic Unless Lender and Borrow er concrivise agree in writing, any application of proceeds to principal snall not extend or positione 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 Demostry is convised by London Borrower's right to only incompare policies and proceeds resulting from demose to the

21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Borrower's right to the extent of the sume secured by this Security Instrument immediately. Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately 6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.

o. Occupancy, rreservation, maintenance and protection of the property; borrower's Loan Application; Leasenolds. 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 compute the Departy of Departure's principal residence for at least one ways after the Borrower snau 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 data of component unless Lember otherwise or the in printing which constant shall not be unpresenably without of unless this security instrument and shall commute to occupy the Property as borrower's principal residence for an least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless and another shall not destroy domards or impair the Domards. 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, of comparing the Property. Descent the default if any forfaiture action or extenuating circumstances exist which are beyond Borrower's control. Borrower shall not desuroy, damage or impair the Property, allow the Property to deteriorably, or commit waste in the Property. Borrower shall be in default if any forfeiture action or an analytic method is begin that in Londer's good faith indement could result in forfaiture of the Droperty or anow the property to deteriorate, or commut waste on the property. Borrower shall be in default if any fortenure action of 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 lan created by this Security Instrument or Lender's security interest. Borrower may firs such a proceeding, whener civil or criminal, is begun that in Lenger's good tailin judgment could result in torreining of the Property of otherwise materially impair the hen created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate as provided in concernsh 19, by coupling the action of proceeding to be displayed with a rule such as default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that in Lender's most faith determination, mealudes forfaiture of the Derever's interest is the Derever's rest for the rest in the rule of the Derever's interest in the Derever's rest in the 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 Liebrithant or Londer's country interest. Borrower shell also he in default if Derrower during the Lenuer's good nam determination, precludes fortenare of the Borrower's interest in the Property of 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 loss application process of the provide Lender's security interest. Borrower shall also be in default if Borrower, during the the nen created by this Security distribution or Lender's security interest. Borrower shall also be in default it 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 consecurity with the loan avidenced by the Note including but not limited to representations ioan application process, gave materially tase or maccurate muonnation or statements to Lender (or fatted to provide Lender with any material information) in contection with the loan evidenced by the Note, including, but not limited to, representations applications Portugate compared of the Deportuge of this Security Instrument is on a lengehold. Portugate any matchai information in contection with the loss evidenced by the type, including, but not influed 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 transitions of the loss of Borrower complete fit to the Borrower the lossehold and the fee title shall complete the losse of the losse. concerning Borrower's occupancy or the Property as a principal residence. It has become instrument is on a teasenoid, 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 marked unless I and a compact to the marker in writing.

Perge unless Lender agrees to the merger in writing. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in the property (such as a

A Frotection of Lender's Kights in the Property. It 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 bankruptor, probate for condemnation or inferiture or to apform large or regulational) than London must do and now this Security instrument, or mere is a regar 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 proving any sume secured by a line which has trioring over this Security Instrument appearing in court poving reasonable. paying any sums secured by a liea which has priority over this Security Instrument, appearing in court, paying reasonable atternave? fees and entering on the Departy to make revain. Although Lander may take action under this performance? To adder paying any sums secured by a lien which has priority over hus becurity 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 Any amounts disbursed by Lencer under this paragraph 7 shall become additional debt of Borrower secured by this Security

Any amounts discursed by Lenger inder this paragraon / shall become additional debit of borrower secured by this security Instrument. Unless Borrower and Lander agree to other terms of payment, these amounts shall bear interest from the date of dishumement of the Note rate and shall be cauchle with interest upon rotics from Lander to Remover requestion request disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment. 8. Mortgage Insurance. If Len ler required mortgage insurance as a condition of making the loan secured by this Security o. White gage insurance. If Lenter required mortgage: insurance as a continuon of making the toan 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 langes of ceases to be in effect. Romanier shall have the premiums required to

instrument, Borrower snall pay the prestrums required to manual the mongage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect. Borrower shall pay the premiums required to the mortgage insurance coverage substantially achieved to the mortgage insurance previously in effect at a cost substantially achieved to the montgage insurance coverage required by Lenner lapses or ceases to be in effect, bottower 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 whether to the mortgage insurance is not available. Portputs shall pay to Lander each month a sum small to cost to Borrower of the morrgage insurance previously to enect, from an automate morrgage insurer approved by Lender. If substantially equivalent morrgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfith of the wearly morrgage insurance previously being roted by Borrower shall pay to Lender each month a sum equal to substantially equivalent mortgage insurance coverage is not available, boltower shall pay to Lenner 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 affect. London will concert use, and version these providents as a loss reserve in lieu of mortgage insurance. Loss reserve the twenth of the yearly montgage instruction premium being pair by borrower when the instruct coverage tapsed of 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, it the option of Lender, if mortgage insurance coverage (in the amount and for the period that I and a mount and for the period payments may no longer or required, it are option of Lenger, a 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 premiume required to maintain mortgage insurance in after to the provide a loss reserve, until the requirement for mortgage 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 vritten agreement between Borrower and Lender or applicable law.

9. 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 specify ing reasonable cause for the inspection. 10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any demnation or other raking of any next of the Deprets of for convergence in lies of condemnation, are barely essented and IV. Concernmention. The proceeder of any award or claim for damages, direct or consequendar, 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 chall be paid to Londer

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In the event of a total aking 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 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 in the taking is equal to or greater than the amount of the sums secured by this Security in the taking in Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument chall be used by the amount of the restored by this Instrument immediately before the taking, units's Borrower and Lender otherwise agree in writing, the sums secured by the 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 holes about the Portuge to the most of a particle taking of the Property immediately before the the sums secured immediately octore the taking, divided by (0) 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 taking in the the taking in the taking of the sume control immediately before the taking in the taking in the taking of the sume control immediately before the taking in the taking in the taking of the sume control immediately before the taking in reaching. Any obtained shall be part 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 of 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 abandt ned 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 callest and cumbrish as the proceeder of the protocoling of the Property of the proceeder of the

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

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payments or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall be the minimal D. There are a Remarked by Lender to any successor in interest of Borrower shall be the minimal D. 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 commence proceedings against any successor in miletest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by rea on of any demand made by the original Borrower or Borrower's successors is interest. Any otherwise by the successor is any tight or product bell 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 shall not be a waiver of or preclude the exercise of any

12. Successors and Assign: 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 naraoranh 17 Rorrower's covenants and agreements shall be joint and saveral Any Rorrower's covenants and agreements shall be joint and saveral Any Rorrower's covenants and agreements shall be joint and saveral Any Rorrower's covenants and agreements shall be joint and saveral Any Rorrower's covenants and agreements shall be joint and saveral Any Rorrower's covenants and agreements shall be joint and saveral Any Rorrower's covenants and agreements shall be joint and saveral Any Rorrower's covenants and agreements shall be joint and saveral Any Rorrower's covenants. paragraph 17. Borrower's cov(nant) and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Notes (a) is co signing this Security Instrument only to mortgage grant and convey that 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 and by this Security Instrument; (b) is not personally obligated to pay the sums 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. Thake any accommodations with regard to the terms of this Security Instrument of the Note without that Bolfower'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 of other loan charges collected or to be collected in connection with the loan are the normitted limits, then to be the born of the shell be reduced by the area to the collected in connection with the loan to the normitted limits. and that have is finally interpreted so that the interest of other toan charges conected or to be conected in connection with the ioan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the context of the transferred from Personal dependence of the permitted limits with the solution of the transferred from Personal dependence of the permitted limits and the permitted li

exceed the permitted limits, then: (a) any such to an on-trge shall be reduced by the amount necessary to reduce the charge to the 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 14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it or by mailing it of a shall be given by delivering it of a shall be given by delive 14. Nonces. Any nonce to Bimovier provided for in this Security instrument shall be given by delivering it or by making it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address of any other address Romania designation by posice to Londer. Any notice to Londer shall be given by first close mail to Londer's

by inst class man unless applicable law requires use of another memod. The nonce 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 Derrower. Any notice provided for in this Security any other address Borrower designates of nonce to Lentuer. Any nonce to Lentuer shall be given by first class mail to Lentuer 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 Borrow er or Lender when given as provided in this paragraph 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. **15. Governing Law; Severability.** This Security Instrument shall be governed 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 which can be Jurisdiction in which the property is located, in the event that any provision or clause of this Security instrument or the Note which can be conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be conflicting transform. To this and the provisions of this Security Instrument and the Note which can be

given effect without the conflicting provision. To this end the provisions of this Security Instrument or the Note which can be 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

17. Transfer of the property of a beneficial interest in Borrower. If all of any part of the property of any interest in its sold or transferred and Borrower is not a natural person) without I and a prove at its option any interest in full of all sums secured by this Security. sold or transferred (or if a beneficial interest in Borrowe' 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 If Lender exercises this option, Lender shall give Borro ver notice of acceleration. The notice shall provide a period of not less

If Lender exercises this opnon, Lender shan give borrower nouce of acceleration. The nonce shan 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 in the nonce of the period of the period of the period. I and a mail invoke one provide period of not less That so days from the date the nonce is denoted or manual which which borrower must pay an 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 fun her potice or demand on Borrower. 18. Socially insurance, without the ner police of demand on bollower. 18. Borrower's Right to Reinstale. If Borrower micels certain conditions, Borrower shall have the right to have

applicable law may specify for reinstatement inforcing this Security Instrument inforcing the S appucable law may specify for reinstant ment) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment (inforcing 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 advantages of the security instrument in an forming this Security Instrument, including hut 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 hereby shall remain fully effective as if no acceleration bad oc arred. However, this fight to reinstate shall not apply in the case of hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of

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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.

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

Page 5 of #

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 records tion costs.

limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess 22. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey

of any previously scheduled sale. Lender or its designee may purchase the Property at any sale. of any previously scheduled sale. Lender of 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

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 d signated 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

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of 41. Acceleration; kemeules, Lenger shan give nonce to borrower prior to acceleration tonowing porrower'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 speci/y: (a) the default; (b) the action required to cure the default; (c) a data not low than 30 down from the data the notion is given to Portowire by which the default much be and (d) applicative law provides that where, a de notice such specify, (a) are using (b) are action required to care the using (b) 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

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

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 Lav" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

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 governmental or regulatory agency or private party involving the Property and any nazardous outstance of Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any actual to a structure of the University of Substance offecting the Departy is presested. Borrower shall promptly take all removal or other remediation of any Hazirdous Substance affecting the Property is necessary, Borrower shall promptly take all

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Projectly. 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 Hazirdous Substances that are generally recognized to be appropriate to normal residential uses

given written notice of the change in accordance with peragraph 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 Liw.

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 or the without prior notice to Borrower. A sale may result in a change in the entity (known or the without prior the without prior to be and this Courties Instrument. There also may be one or as the "Loan Servicer") that collect i monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Service; unrelated to a sale of the Note. If there is a change of the Loan Service; Borrower will be



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[Check applicable bo	reements of this Secu x(es)]	ent. If one or more riders are exect greements of each such rider shall be unity Instrument as if the rider(s) were a Condominium Dia	ited by Borrower and r tded together incorporat:d into and shall amend and su a part of this Security Instrument	36 with polem
Graduated I Balloon Rid	Alumona Di I	Condominium Rider Planned Unit Development Rate Improvement Rider Cther(s) [specify]		pran
BY SIGNING BEI any rider(s) executed h	LOW, Borrower acce	pts and achive to the		
any rider(s) executed by Witnesses:	Borrower and recor	ded with it.	ants contained in this Security Instrument	and in
		DONALD R.	SISEMORE	(Seal)
		Dana	UNI -Boi	Tower
		DANA L. S	SEMORE (S	Seal)
		(Seal)	-Borr	ower
STATE OF OREGON,		-Borrower		eal)
On this 30	day of 7100	ender 1994 Coun		wer
the foregoing instrument to			, personally appeared the above name	d
My Commission Expires: (Official Seal)		volun tary act and deed.	and acknowledg	
(omena seal)		1		
		Notary Public for Orego	Symoles	
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