Vol. Mg8 Page 9627 After recording, mail to: HOME EQUITY USA () INC.

ATTN: POST FUND OPERATIONS accession: Tanger Page 10 Suffice to copied encir to be a second of the sec ATLANTA GEORGIA 30329 sugget of some flow the Etaberth pomoner before getween and account such as the geor 4. FROVISIONAL ASSIGNATION DE RENTS. Last, to pay any other phornes age, under the Note. Mext to pay any foldmed cheek charges; and mour to box tate charges Most to pay diseast and any other harned Empher Angles Mext, to pay principal. Maturity Date of Secured Debt: 03/20/18 to proceed the spores Date of this Deed of Trust: 03/20/98 bushores. WORDS USED OFTEN IN THIS DOCUMENTAL about doop of the particular and or the state and (A) "Security Instrument." This document/which is dated as indicated above, will be called the "Security Instrument". (B) "BOTTOWER." WILLIAM T. LUX AND MARILYN J.LUX, HUSBAND AND WIFE, AS TENANTS BY THE SENTIBETY STREET OF A COURT ABOUT THE SUMS SOCIETY OF THE Secritify Instituted to sometimes will be called "Borrower land sometimes simply." I or "me" it as sodit capt to be a seed to be a se (C) "Lender" HOME, EQUITY: USA, INC. ... A.R. I. CORPORATION, the tipe species is a species as will be called "Lender" and is the beneficiary of this Deed of Trust. Lender is a corporation which exists under the laws of RHODE ISLAND Lender's address is #6 EXECUTIVE PARK DR NE., STE 300, ATLANTA, GEORGIA 30329 water tip to 1 Correlative small to go to a coder any product no accessory to muso up the authorized in one or cas (D) "Note." The Note signed by Borrower and dated the same date as this Deed of Trust will be called the "Note". The Note shows that I owe Lender FIFTY (THOUSAND ONE HUNDRED DOULARS & NO / 100 to the state of the reseastions to main a premiume and ground found forms or they full over such exercis and he is the above in the constant of th Sais of taxes, processionite, havionee prenquining and ground realisability feet the bracket is a great so res Dollars (U.S. \$4.00 60 (100 : 00 %) plus interested have promised to pay this debt in monthly payments and to pay the debt in full by the Final Maturity Date, as indicated above as Maturity Date of Secured Debt. (E) Property. The property that is described below in the section titled "Conveyance in Trust and Description of the Property will be called the "Property" dust any the bounded for Aprica agest gent was under the (F) "Sums Secured." The amounts described below in the section titled "Obligations Secured by this Security Instrument" sometimes will be called the "Sums Secured", and interest to be being reader about no secured by this security instrument of the produced out of the produced out (G): "Trustee," The Trustee is ASPEN. Tittled ESCROS, INC purely long round by the produced out of the p and will be called the Trustee rape law between tender to make each a character measure and the contract of walled the Funds, thalycing said account of verifying and compiling and descriptions and high the feet tent is say for room: CONVEYANCE IN TRUST AND DESCRIPTION OF THE PROPERTY l'irrevocably grant and convey to Trustee, in trust, with power of sale, the Property described in (A) through (G) below: H parconal base pauge to reager enuge spell to neighbor as insperior allocated at 1885 SUNSET BEACH, KLAMATH FALLS, OREGON 97601 it has the following legal description: to the polatical a buor mortaids of dash of twist it start product as an incompletion it nas the tollowing legal description:
SEE EXHIBIT HAN thereof. Beneares that not be obligated to make such asymmetric of schools and seed the extress and any such as the extress of asymmetric for the such as the extress of asymmetric forms and any of asymmetric forms and the first seed to the firs Sanck premium installments for he and insumine, plus one byells of rearly planners installments in the constitution maintenant any which may anam provity over this Secont managent and ornured part on the Frequent if the rate one evoling of one-twellth of the wealty times and ansestments including condominium and planned and development, and anomal a payments of ormorpal and interest are doggends the North uses the North Spain in tall, a time the spain spaint of Upon providing the west there (30), days written house. I mider may require make pay to Line in on the day thousing (9) Escrow Funds Property, and thrud maurance (if eny) A vill pay (or roser, apossaments, leas anoid paymelyte or pround routs thanyl, buserd or property increamen constitution (Al-Borrower & Obligations A MONTHLY PAYMENTS FOR TAXES AND MAUFANCE Note (it any) marited by Lender I will pay to Lender on these prescipal and integrations under the Mote and any reservel, or is near the prescipant of the 1. BORBOWER'S PHOMBSE TO PAY i promise and Lagran with Londer as fobows: (B) All buildings and other improvements that are located on the Property described in sub-paragraph (A) of this section; (C) All rights in other property that I have as owner of the Property described in sub-paragraph (A) of this section. These rights are known as "easements and appurtanances attached to the Property": (D) All rights that I have in the land which lies in the streets or roads in front of; or next to, the Property described in sub-paragraph (A) of this section, SLHOVENL (E) All fixtures that are now or in the future will be on the Property described in sub-paragraphs (A) and (B) of this section; (F) All of the rights and property described in sub-paragraphs (B) through (E) of this section that I acquire in the future; and (G) All replacements of or additions to the Property described in sub-paragraphs (B) through (F) of this section. के तुर्धारततो प्रत्यातम्बर्धः प्रतिकारः (ender), विभिन्न माध्यम् क्षेत्रणः एको अस्तिमार्थः एउन्निकारमणः (का ८०५) This Security Instrument, and this trust created by this Security Instrument, is given for the purpose of protecting Lender from possible losses that might result if I fail to the best of the possible losses where (1) I lawfully own the Proparty, (B) I have the right to men and conve (A) Pay all the amounts that I owe Lender as stated in the Note, including any and all future advances made by Lender to me not in excess of my Credit Limit/ with interest at a variable rate as provided in the Note:

(C) Keep all of my other promises and agreements under this Security Instrument of the present management 9628, the

BORROWER'S RIGHT TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE BROBERTA mounts that I owe benefer as stated in the Note, including any and all fields accomose made of comes to

I promise that: (A) I lawfully own the Property; (B) I have the right to grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property, except for those which are of public record, and those which I have specifically disclosed to Lender, and which Lender has approved, prior to the date of this Security Instrument. LIGATIONS SECUPED BY THIS SECURITY INSTRUMENT

I give general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such addressible (ii) of the sector that a course on the protein and

PLAIN LANGUAGE SECURITY INSTRUMENT

This Security Instrument contains promises and agreements that are used in real property security instruments all over the Country, elt also contains promises and agreements that vary to a limited extent, in different parts of the country. My promises and other agreements are stated in "plain language," settly descripted in a representation for at the second of the country. My promises and other improvements are stated in "plain language," settly descripted in a representation for at the second of the production of the country. The second of the production of t

COVENANTS

I promise and I agree with Lender as follows:

1. BORROWER'S PROMISE TO PAY

will pay to Lender on time principal and interest due under the Note and any renewal, extension or modification of the Note (if any) granted by Lender.

2. MONTHLY PAYMENTS FOR TAXES AND INSURANCE

(A) Borrower's Obligations

I will pay for taxes, assessments, leasehold payments or ground rents (if any), hazard or property insurance covering the Property, and flood insurance (if any) .

(B) Escrow Funds

Upon providing me with thirty (30) days' written notice, Lender may require me to pay to Lender on the day monthly payments of principal and interest are due under the Note, until the Note is paid in full, a sum (the "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Security Instrument and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional

If Borrower pays Funds to Lender, Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premitims and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Security Instrument that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing the credits and debits to the Funds and the purpose for which each debit was made. The Funds are pledged as additional security for the Sums Secured by this Security Instrumentage agencia security in the sums security in the sums security in the secu

no littleated above or Aluthopy Date of Bonco & Diebo If the amount of the Funds held by Lender together with the future monthly installments of Funds payable prior to the due date of taxes, assessments, insurance premiums and ground rents shall exceed the amount required to pay such taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of Funds held by Mortgage shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require, graces as a second and back balling fast lage windhis economy borns

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 hereof, the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the Sums Secured by this Security Instrument.

Unless the law requires otherwise, Lander will apply each of my payments under the Note and under Paragraph 1 above in the following order and for the following purposes:

First to pay any credit insurance premiums due under the Note;

Next to pay interest and any other accrued Finance Charges; Next to pay principal;

Next, to pay late charges; Next, to pay any returned check charges; and

Last, to pay any other charges due under the Note.

4. PROVISIONAL ASSIGNMENT OF RENTS

Borrower hereby assigns to Lender all rents from the Property; however, prior to default and acceleration of the debt. Boπowar shall have the right to collect and retain such rents as they come due. In the event of abandonment or default and acceleration, without taking possession, Lender shall be entitled to collect such rents and apply them to the

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5. BORROWER'S OBLIGATION TO PAY CHARGES ASSESSMENTS AND CLAMS

I will pay all taxes, assessments, and any other charges and lines that may be imposed on the Property and that may be superior to this Security Instrument. I will also make payments due under my lease if I am a tenant on the Property and will pay ground rents (if any) due on the Property. (In this Security Instrument, the word "person" means any person, organization, governmental authority or other party.) I will do this either by making the payments to Lender, or by making the payments on time to the person owed them. If I make direct payments, then promptly after making any of those payments I will give Lender a receipt which shows that I have done so. If I make payment to Lender, I will give Lender all notices or bills that I receive for the amounts due under this Paragraph 5.

I will promptly pay or satisfy all liens against the Property that may be superior to this Security Instrument. However, this Security Instrument does not require me to satisfy a superior lien if (A) I agree, in writing, to pay the obligation which gave rise to the superior lien and Lender approves the way in which I agree to pay that obligation; or (B) in good faith, I argue or defend against the superior lien in a lawsuit so that, during the lawsuit, the superior lien may not be enforced; or (C) I secure from the holder of that other lien an agreement, approved in writing by Lender, that the lien of this Security Instrument is superior to the lien held by that person. If Lender determines that any part of the Property is subject to a superior lien, Lender may give Borrower a notice identifying the superior lien. Borrower shall pay or satisfy the superior lien or take one or more of the actions set forth above within ten (10) days of the giving of notice.

6. BORROWER'S OBLIGATION TO MAINTAIN HAZARD INSURANCE OR PROPERTY INSURANCE

I will obtain hazard or property insurance to cover all buildings and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies and other hazards for which Lender requires coverage, including floods and flooding. The insurance must be in the amounts and for the periods of time required by Lender. I may choose the insurance company, but my choice is subject to Lender's approval. Lender may not refuse to approve my choice unless the refusal is reasonable. If I do not maintain the insurance coverage described above, Lender may obtain insurance coverage to protect Lender's rights in the Property in accordance with Paragraph 8 below.

All of the insurance policies and renewals of those policies must include what is known as a "standard mortgage clause" to protect Lender. The form of all policies and renewals must be acceptable to Lender. Lender will have the right to hold the policies and renewals. If Lender requires, I will promptly give Lender all receipts of paid premiums and renewal notices that Leceivo midings the amount of a flower of Landon will be reduced outly by the amount of enquery includes only a transfer and the amount of enquery includes only a transfer and the amount of enquery includes of the control of the co

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so.

The amount paid by the insurance company is called "proceeds". The proceeds will be used to repair or to restore the damaged Property unless (A) it is not economically feasible to make the repairs or restoration; or (B) the use of the proceeds for that purpose would lessen the protection given to Lender by this Security Instrument; or (C) Lender and I have agreed in writing not to use the proceeds for that purpose. If the repair or restoration is not economically teasible or if it would lessen Lender protection under this Security instrument, then the proceeds will be used to pay the Sums Secured. If any of the proceeds remain after the amount that Lowe to Lender has been paid in full, the remaining proceeds will be paid to me-sherest satis about compensation of the property

If Labandon the Property, or if I do not answer, within thirty (30) days, a notice from Lender stating that the insurance company has offered to settle a claim. Lender may collect the proceeds. Lender may use the proceeds to repair or restore the Property or to pay the Sums Secured. The thirty-day (30-day) period will begin when the notice is given.

or TEMPER OF BIOLET OF THE SEOBERT I have to Lender under the Note, that use will not delay if any proceeds are used to reduce the amount of Principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes programme and the second less the second

If Lender acquires the Property under Paragraph 21 below, all of my rights in the insurance policies will belong to Lender. Also, all of my rights in any proceeds which are paid because of damage that occurred before the Property is acquired by Lender or sold will belong to Lender. However, Lender's rights in those proceeds will not be greater than the Sums Secured immediately before the Property is acquired by Lender or sold.

7. BORROWER'S OBLIGATIONS TO OCCUPY THE PROPERTY, TO MAINTAIN AND PROTECT THE PROPERTY;

BORROWER'S LOAN APPLICATION TO SELECT THE PROPERTY OF THE PROPERTY AND USE THE PROPERTY AND USE THE PROPERTY AS THE PROPERTY AS THE PROPERTY AS THE PROPERTY AS THE PROPERTY OF THE PROPERTY O Instrument. I will continue to occupy the Property and to use the Property as my principal residence for at least one year. The one-year period will begin when I first occupy the Property. However, I will not have to occupy the Property and use the Property as my principal rosidence within the time frames set forth above if Lender agrees in writing that I do not have to do so. Lender may not refuse to agree unless the refusal is reasonable. I also will not have to occupy the Property and use the Property as my principal residence within the time frames set forth above if extenuating circumstances exist which are beyond my controlletion of my intentions to occupy the Property into principal realisment. The area of the area of the second of a

quarit raider the Second Detrainent Later of internals statement about 10 femore and 1 mill not allow the Property to will keep this Property in good repair. I will not destroy, damage or harm the Property, and I will not allow the Property to deteriorate..... ១ ក្រុងស្រុងស្រែងស្រែង

I will be "in default" under this Security instrument if I fail to keep any promise or agreement made in this Security Instrument, or if anything occurs that would permit Lender to require immediate payment in full under Paragraphs 7(D) or 17. below, I will also be in default under this Security Instrument if any civil or criminal action or proceeding for "forfeiture" (that is, a legal action or proceeding to require the Property, or any part of the Property, to be given up) is begun and Lender, determines, in good faith, that this action or proceeding could result in a court ruling (i) that would require forfeiture of the Property, or (ii) that would materially impair the lien of the Security Instrument or Lender's rights in the Property. I goad said, iou ins cour, juing prisent, trainning al my informatin high ripary and discourse any reast on high printing

may correct the default by obtaining a court ruling that dismisses the legal action or proceedings, if Lender determines, in good faith, that this court ruling prevents forfeiture of my interest in the Property and also prevents any material impairment of (i) the lien created by this Security Instrument, or (ii) Lender's rights in the Property. If I correct the default, I will have the right to have enforcement of this Security Instrument discontinued even if Lender has required immediate payment in full.

(C) Borrower's Obligations to Fulfill Any Lease Obligations, and a substantial of the gradual states of the property of the gradual states of the property of the gradual states of the gradual states of the gradual states of the property of the gradual states of the gradual states of the property of the gradual states of the fee title to the Property, my lease interests and the fee title will not merge unless Lender agrees to the merger in writing.

If, during the application process for the loan that I promise to pay under the Note. I made false or inaccurate statements to Lender about information important to Lender in determining my eligibility for the loan. Lender will treat my actions as a default under this Security Instrument. False or inaccurate statements about information important to Lender would include a misrepresentation of my intentions to occupy the Property as a principal residence. This is just one example of a false or inaccurate statement of important information. Also, if during the loan application process I failed to provide Lender with information important to Lender in determining my eligibility for the loan, Lender will treat this as a default under this Security Instrument includes a require the fitted features set forth above if a codes included in the property in t

8. LENDER'S RIGHT TO PROTECT ITS RIGHTS IN THE PROPERTY Instrument, or (B) someone, including me, begins a legal proceeding that may significantly affect Lender's rights in the Property (such as a legal proceeding in bankruptcy, in probate, for condemnation or forfeiture, or to enforce laws or regulations), 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 appearing in court, paying reasonable attorneys' fees and entaring on the Property to make repairs. Although Lender may take action under this Paragraph 8, Lender does not have to do so

l will pay to Lender any amounts, with interest, which Lender spends under this Paragraph 8. I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will also pay interest on those amounts at the Note rate. Interest on each amount will begin on the date that the amount is spent by Lender. However, Lender and I may agree in writing to terms of payment that are different from those in this paragraph. This Security Instrument will protect Lender in case I do not keep this promise to pay those amounts with interest. nonce the more than ourse the case the contract the case the cas

B unly broopseds are naced to record the description of Friedrich I save to transactions of the last the second transaction of the property of Lender, and others authorized by the Lender, may enter on and inspect the Property. They must do so in a reasonable manner and at ressonable times. Before or at the time an inspection is made, Lender must give me notice stating a tescuaple bittoose for the justication! answer, within thing (SC) days, a police figure lender status the the insertional

10. AGREEMENTS ABOUT CONDEMNATION OF THE PROPERTY A taking of the Property by any governmental authority by eminent domain is known as "condemnation". I give to Lender my right (A) to proceeds of all awards or claims for damages resulting from condemnation or other governmental taking of the Property, and (B) to proceeds from a sale of the Property that is made to avoid condemnation. All of those proceeds will be paid to Lender. The Account season the presence diven to bender by this Section in the account of the most season.

If all of the Property is taken, the proceeds will be used to reduce the Sums Secured. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaing proceeds will be paid to me.

Unless Lender and Lagree otherwise in writing, if only a part of the Property is taken, and the fair market value of the Property immediately before the taking either is equal to, or greater than, the amount of the Sums Secured immediately before the taking, the amount that I owe to Lender will be reduced only by the amount of proceeds multiplied by a fraction. That fraction is as follows: (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. The remainder of the proceeds will be paid to me.

Unless Lender and I agree otherwise in writing or unless the law requires otherwise, if only a part of the Property is taken, and the fair market value of the Property immediately before the taking is less than the amount of the Sums Secured immediately before the taking, the proceeds will be used to reduce the Sums Secured.

If Labandon the Property, or if I do not answer, within thirty (30) days, a notice from Lender stating that a governmental authority has offered to make a payment or to settle a claim for damages, Lender has the authority to collect the proceeds.

Lender may then use the proceeds to repair or restore the Property or to reduce the Sums Secured. The thirty-day (30-day) betiod will begin when the notice is given to cover oil buildings and other improvement. Let end an even be

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraph 1 and 2 above. The due date of clianter the succession of the s

11. CONTINUATION OF BORROWER'S OBLIGATIONS AND OF LENDER'S RIGHTS

(A) Borrower's Obligations

Lender may allow a person who takes over my rights and obligations to delay or to change the amount of the monthly payments of principal and interest due under the Note or under this Security Instrument. Even if Lender does this, however, that person and I will both still be fully obligated under the Note and under this Security Instrument.

Lender may allow those delays or changes for a person who takes over my rights and obligations, even if Lender is requested not to do so. Lender will not be required to bring a lawsuit against such a person for not fulfilling obligations under the Note or under this Security Instrument, even if Lender is requested to do so. invented authority or other game). I will no this other by modern the t

(B) Lender e Rights

(B) Lender of Rights

(all of those rights and may exercise and enforce them in the future. Even if Lender obtains insurance, pays taxes, or pays other claims, charges or liens against the Property, Lender will have the right under Paragraph 21 below to demand that I other claims, charges or liens against the Property, Lender will have the right under Paragraph 21 below to demand that I owe to Londer under the Note and under this Security Instrument. Page 4 of 7

12. OBLIGATIONS OF BORROWER AND OF PERSONS TAKING OVER BORROWER'S RIGHTS OR OBLIGATIONS Any person who takes over my rights or obligations under this Security Instrument will have all of my rights and will be obligated to keep all of my promises and agreements made in this Security Instrument. Similarly, any person who takes over Lender's rights or obligations under this Security Instrument will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Security Instrument.

If more than one person signs this Security Instrument as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Security Instrument. Lender may enforce Lender's rights under this Security Instrument against each of us individually or against all of us together. This means that any one of us may be required to pay all of the Sums Secured. However, if one of us does not sign the Note: (A) that person is signing this Security Instrument only to give that person's rights in the Property to Lender under the terms of this Security Instrument, and (B) that person is not personally obligated to pay the Sums Secured; and (C) that person agrees that Lender may agree with the other Borrowers to delay enforcing any of the Lender's rights or to modify or make any accommodations with regard to the terms of this Security Instrument or the Note without that person's consent.

13. LOAN CHARGES to the to contest the delete. 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 permitted limits: (A) any such ican 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 exceed 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 chalde made, the Note and are payment in full, and may layold the power of cale, under this flat man of the chalden the

14. NOTICES REQUIRED UNDER THIS SECURITY INSTRUMENT
Any notice that must be given to me under this Security instrument will be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice will be addressed to me at the address stated in the section above titled "Description of the Property". A notice will be given to me at a different address if I give Lender a unice of the different addiese has a trusted a dead conveying the Proporty without any concentration was now and any arms to be

Any notice that must be given to Lender under this Security Instrument will be given by mailing it to Lender's address stated in subparagraph (C) of the section above titled "Words Used Often In This Document". A notice will be mailed to Lender at a different address if Lender gives me a notice of the different address. A notice required by this Security Instrument is given when it is mailed or when it is delivered according to the requirements of this Paragraph 14 or of applicable law that governs this security instrument and particles of the property of the property of the property instrument and property instrument

15. LAW THAT GOVERNS THIS SECURITY INSTRUMENT
This Security Instrument is governed by federal law and the laws of the State of Oragon. If any term of this Security
Instrument or of the Note conflicts with the law, all other terms of the Securitry Instrument and of the Note which conflict with the law can be separated from the remaining terms, and the remaining terms will still be enforced.

| will pe bixeu one contolined coby of the Note and of this Secretity Adjectment Trusters are passible. The enders the Figure in the Property. To the protein permitted by the Lunder chart to enders a contoline of the Figure 1 this Paragraph 21, including but not tened to a contoline to the restriction of the first tened to the first tened tened to the first tened te

17. AGREEMENTS ABOUT LENDER'S RIGHTS IF THE PROPERTY IS SOLD OR TRANSFERRED

Lender may require immediate payment in full of all Sums Secured by this Security Instrument if all or any part of the Property, or if any right in the Property, is sold or transferred without Lender's prior written permission. Lender also may require immediate payment in full if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person. However, Lender shall not require immediate payment in full if this is prohibited by federal law on the date of this Security Instrument. In no event will any person other than the Borrower be entitled to obtain advances from Lender under the terms of the Note secured by this Security Instrument and require median contains and the

TEMPEN SUPPLIES IN BOUSDOMER PAITS TO KEEL BROWNERS VING MORESTRENTS

If Lender requires immediate payment in full under this Paragraph 17, Lender will give me a notice which states this requirement. The notice will give me at least thirty (30) days to make the required payment. The thirty-day (30-day) period will begin on the date the notice is mailed or delivered, if I do not make the required payment during that period, Lender may act to enforce its rights under this Security Instrument without giving me any further notice or demand for payment.

18. BORROWER'S RIGHT TO HAVE LENDER'S ENFORCEMENT OF THIS SECURITY INSTRUMENT DISCONTINUED Even if Lender has required immediate payment in full. I may have the right to have enforcement of this Security Instrument discentinued, I will have this right at any time before sale of the Property under any power of sale granted by this Security Instrument or at any time before a judgment has been entered enforcing this Security Instrument if I meet the following

conditions: (A) I pay to Lender the full amount that then would be due under this Security Instrument and the Note as if immediate payment in full had never been required; and

(B) I correct my failure to keep any of my other promises or agreements made in this Security Instrument; and

(C) I pay all of Lender's reasonable expenses in enforcing this Security Instrument and

(D) I do whatever Lender reasonably requires to assure that Lender's rights in the Property. Lender's rights under this Security Instrument, and my obligations under the Note and under this Security Instrument continue unchanged.

determined for the conditions in this Paragraph 18, then the Note and this Security Instrument will remain in full effect as if immediate payment in full had never been required. However, I will not have the right to have Lender's enforcement of this Security Instrument discontinued if Lender has required immediate payment in full under Paragraph 17 above.

19. HOLDER'S RIGHT TO SELL THE NOTE OR AN INTEREST IN THE NOTE BORROWER'S RIGHT TO NOTICE OF CHANGE OF LOAN SERVICER

The Note, or an interest in the Note, together with this Security Instrument may be sold one or more times. I may not receive any prior notice of these sales pur name and address of the name food governor and continue to a contract to contract the contract the contract to contract the contract the contract to contract the co of the Loan Savicer. The written notice main be given in the manner reduced under Finegraph 14 of over any and

Servicer. There muy by a change of the logh particer as a result of the sale of the Wore, there was one service or mare change of the Loan Servicer chrotated to a sele of the Mote. The law adquaes that I be an an written well a service change.

38600E-03/01/96:(OR: Closed-End) woo light batterents day andec the Note(OX4 This Security his trained; it called the flore Page 5 of 7

The entity that collects my monthly payments due under the Note and this Security Instrument is called the "Loan and a collection of the security that collects my monthly payments due under the Note and this Security Instrument is called the "Loan and a collection of the security that collects my monthly payments due under the Note and this Security Instrument is called the "Loan and a collection of the security that collects my monthly payments due under the Note and this Security Instrument is called the "Loan and the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security in the security in the security is security in the security There may be a change of the Loan Servicer as a result of the sale of the Note; there also may be one or more change of the Loan Servicer unrelated to a sale of the Note. The law requires that I be given written notice of any change of the Loan Servicer. The written notice must be given in the manner required under Paragraph 14 above and under applicable law. The notice will state the name and address of the new Loan Servicer, and also tell me the address to which I should make my payments. The notice also will contain any other information required by law.

20. CONTINUATION OF BORROWER'S OBLIGATIONS TO MAINTAIN AND PROTECT THE PROPERTY The federal laws and the laws of the State of Virginia that relate to health, safety or environmental protection are called "Environmental Laws". I will not do anything affecting the Property that violates Environmental Laws, and I will not allow anyone else to do son my har man properted money provider I will not have the right to have the service

disciplination for the controlle to the Belaticide high their the Mote and the Search the control that are considered Environmental Laws classify certain substances as toxic or hazardous. There are other substances that are considered hazardous for purposes of this Paragraph 20. These are gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing aspestos or formaldehyde, and radioactive materials. The substances defined as toxic or hazardous by Environmental Laws and the substances considered hazardous for purposes of this Paragraph 20 are called Hazardous Substances where more in the recorded to the second of the seco

and assured the product of the research of the present on the Property. I will not use or store Hazardous Substances on the I will not permit Hazardous Substances to be present on the Property, and I will not allow anyone else to do so. I also will not dispose of Hazardous Substances on the Property, or release any Hazardous Substances on the property, and I will not allow anyone else to do so. However, I may permit the presence on the Property of small quantities of Hazardous Substances that are generally recognized as appropriate for normal residential use and maintenance of the Property, and I may use or store these small quantities on the Property.

THE SOMEONESS SICEL IN LIVE SENIOUS EMPOREMENT OF THE SECOND LANGUAGE PARTY involving the lift know of any investigation, claim, demand, lawsuit or other action by the government or by a private party involving the Property and any Hezardous Substance or Environmental Laws, I will promptly notify the Lender in writing. If the government notifies me (or Lotherwise learn) that it is necessary to remove a Hazardous Substance affecting the Property or to take other remedial actions, I will promptly take all necessary remedial actions as required by Environmental Laws.

21. LENDER'S RIGHTS IF BORROWER FAILS TO KEEP PROMISES AND AGREEMENTS Lender may require that I pay immediately the entire amount then remaining unpaid under the Note and under this Security Instrument. Lender may also invoke the power of sale under this Security Instrument. It all of the conditions stated in subparagraphs (A), (B) and (C) of this Paragraph, 2.1, are met, Lender may do this without making any further demand for Payment This requirement is called "immediate payment in full" was to sold or appropriate on the source of the sou

Lender may also require, immediate payment in full if any of the events described in Paragraph, 17 occur, even if the conditions stated in subparagraphs (A), (B) and (C) below are not met 2 2010 OR 1844825888

if Lender requires immediate payment in full, and invokes the power of sale, the Trustee may sell the Property, and take away all of my remaining rights in the Property. To the extent permitted by 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 attomeys' rees and costs of title evidence, common torus, and ma remaining municipal music sell and the exidences

If Lender invokes the power of sale, Lender shall send written notice as as prescribed by applicable law to Borrower and to the other persons prescribed by applicable law of the occurrence of an event of default and of Lender's election to cause the other persons prescribed by applicable law of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee shall give notice of sale by public advertisement of the time, place, and terms of the sale as required 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 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 Lichard at aux sale. In given to Lender that the Security hereurient will be given by making a security the trade of the control by making a security the trade of the control by making a security the trade of the control by making a security the trade of the control by making a security the trade of the control by making a security the trade of the control by making a security the control by the control by making a security the control by the control b

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, express 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, Trustee's fees, which may be up to 5% of the gross sale price and reasonable actorneys' fees; (b) to all sums secured by this Security Instrument and (c) any excess to the person or persons legally entitled to it.

Lender may require immediate payment in full, and may invoke the power of sale, under this Paragraph 21 only if all of the following conditions are met, bunchast the teducation will be accused an a patient bregay their wall are and transferred

- (A) I fail to keep any promise or agreement made in this Security Instrument or the Note, including the promises to pay works that the Sums Secured to be characted from Bossower which a country not essent to seduce the character to be control
 when due the Sums Secured.
- Committed about 181 and store from Spanish shall be safety of the new control of the control of the manner described in Paragraph 14 above, a notice that states:

 (B) Lender sends to me, in the manner described in Paragraph 14 above, a notice that states:
 - (i) The promise or agreement that I failed to keep;
 - (ii) The action that I must take to correct the default
- (iii) A date by which I must correct the default. That date must be at least thirty (30) days from the date on which the (iv) That if I do not correct the default by the date stated in the notice. Lander may require immediate payment in
- full, and Lender or another person may acquire the Property by means of foreclosure and sale:

 (v) That if I meet the conditions stated in Paragraph 18 above, I will have the right to have Lender's enforcement of this Security Instrument discontinued and to have the Note and this Security Instrument remain fully effective as if
- immediate payment in full had never been required; and

 (vi) That I have the right in any lawsuit for foreclosure and sale to argue that I did keep my promises and agreements

 under the Note and under this Security instrument, and to present any other defenses that I may have.
- Coll do not correct the default stated in the notice from Londer by the date stated in that notice. Shigated in keep all of my promines and agreements made in this Security instrument. Similarly, on, versee who takes

22. DISCHARGE (RELEASE) OF THIS SECURITY INSTRUMENT

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When Lender has been paid all amounts due under the Note and under this Security Instrument, Lender will discharge this Security Instrument has been satisfied. I will not be required to pay Lender for the discharge, but I will pay all costs of recording the discharge in the proper official records.

23. PAYMENT DURING FORECLOSURE

I agree that Lender may accept rents from the Property, hazard insurance proceeds, condemnation awards, and any other monies produced by the Property or paid by me, even though Lender has demanded immediate payment in full and invoked the power of sale under Paragraph 21 above. Lender may use such monies to pay off part of the Sums Secured affecting Lender's right to continue pursuing remedies under the power of sale.

24. SUBSTITUTE TRUSTEE

Lender, at its option, may from time to time remove Trustee without cause or reason and appoint a successor trustee to any Trustee appointed hereunder by recording a Deed of Appointment. 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.

25. WAIVER OF HOMESTEAD

Borrower waives all right of homestead exemption in the Property.

26. RIDERS TO THIS SECURITY INS If one or more riders are signed by Boi	rower and recorded toge	ther with this Securi	ly Instrument, the promises a	ınd
Adjustable Rate Rider Graduated Payment Rider Second Home Rider Other:	Condominium Ric Planned Unit Dev Bi-Weekly Payms	der velopment Rider	eck applicable box(es).] 1-4 Family Rider Rate Improvement Ride Balloon Rider	
BY SIGNING BELOW, I accept as Security Instrument and in any rider(s)	nd agree to the promise signed by me and record	s and agreements c led with it.	ontained in pages 1 throug	h 7 of this
	Borrower: WILLIAM	List Cy		(SEAL)
	Borrower: MARILYN	gestelign S	2 dzus/	(SEAL)
	Borrower			(SEAL)
STATE OF OREGON COUNTY OF KLAMATH		} s.s.		
This instrument was acknowledge by WILLIAM T. Lt	od before me onM		, in the year	1998
OFFICIAL BEAL HIRMDA K. GLEVER HOTARY PUBLIC-OREGON COMMASSICH NO. 055021		Notary Public RHONDA K. OL	JUER	
AVOCHASISKIN EXPIRES AFALTO, 20	Title:	Print or Type Name		
	Commission Expires:	April 10,	2000	

EXHIBIT "A"

That certain property situated in the S 1/2 SW 1/4 of Lot 6, Section 12, Township 38 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows and as shown on Property Line Adjustment 9-95:

Commencing at the center quarter corner as per CS No. 471; thence South 00 degrees 10' 37" West 653.16 feet; thence North 89 degrees 32' 23" West 914.77 feet; thence South 17 degrees 24' 31" East 350.98 feet; thence North 89 degrees 36' 37" West 677.96 feet to a point which is the true point of beginning; thence South 24 degrees 06' 06" East 199.66 feet; thence North 89 degrees 36' 20" West 281.55 feet to a point on the Westerly boundary of Lot 6; thence North along said Westerly boundary North 24 degrees 06' 06" West 127.04 feet; thence North 72 degrees 05' 20" East 210.37 feet; thence South 89 degrees 36' 37" East 51.72 feet to the true point of beginning.

STATE OF OREGON: COUNT	Y OF KLAMATH SS.

Filed for record at request of		25th	day
of March	A.D., 19 98 at 11:45 o'clock A M., and duly recorded in	Vol. <u>M98</u>	
of	f <u>Mortgages</u> on Page 9627.		,
	Berneina G. Letsch, C By Kathlun Koan	ounty Clerk	
FEE \$45.00	By Kathlien Koos	<u> </u>	<u>. 19</u> 41.
			J. 18 (1)