

SOUTH VALLEY BANK & TRUST  
PO Box 5210, Klamath Falls  
OR 97601

RECORDED MAIL TO

ACCOUNT NUMBER  
830075612

TAX ACCOUNT NUMBER  
4110-01100-00300

# DEED OF TRUST

re-recorded to attain added effect.

THIS DEED OF TRUST ("Security Instrument") is made on JANUARY 3, 1993

The grantee is

(“Borrower”). The trustee is AMERICAN

222 S 6TH STREET, MINNEAPOLIS  
("Trustee"). The beneficiary is S.

which is organized and existing under  
address is P.O. Box 5210, LAM

Sixty Seven Thousand Five

This debt is evidenced by Borrower's monthly payment, with the full debt, is. This Security Instrument secures to Lender extensions and modifications, of the Note, to protect the security of this Security Instrument and the Note. For title, the following described property: Beginning at a point 132.0 feet SE 1/4 of Section Line, thence North along extending thence North along 10 feet; thence South 32.5 feet, in the County of Klamath, State 101794 Code No.: 018

which has the address of 23150 SW  
Oregon 97633

**URSIN-SHAW Family FINANCIAL INSTRUMENTS**

**SHIO31 INSTRUMENTS**

**VM1 MORTGAGE FORMS - 110-5217-731**

Dollars (U.S.) \$ 67,050.00 )  
note dated the same date as this Security Instrument ("Note"), which provides for  
not paid earlier, due and payable on February 1, 2029

February 1, 2029

er; (b) the payment of the debt evidenced by the Notes, with interest, and all renewals, to; (c) the payment of all other debts, with interest, arising under paragraph 7, to current; and (d) the performance of Borrower's covenants and agreements under this purpose. Borrower irrevocably grants and conveys to Trustee, in trust, with power of  
ated in amath County, Oregon;

beet North of the center of the East line of the NE 1/4  
in 41 South, Range 10 East of the Willamette Meridian,  
said line a distance of 32.5 feet thence West 825.0  
feet thence East 25.0 feet to the point of beginning, in  
Oregon. - Abstract No. 4110-0100-00300 Key No.

**HERRIE ROACH MERKILL** ("Property address")

TOGETHER WITH all the  
figures now or hereafter used as  
instruments. All of the foregoing is in

BOHR ROTTER CCV MANT

quacy to Property and that the Plaintiff generally, the title to the Property

THE SECURITY INSTRUMENT

VARIATIONS BY JURISDICTION TO CONSTITUTE  
UNIFORM COVENANTS. Page

### 1. Diagram of Temperature and

1. Payment of principal and  
principal of and interest on the debt  
2. Made for Taxes etc.

## 2. Firms for Taxes and Insurance

Lender at the duly monthly payments and assessments which may retain prior or ground rights on the Property, if any; (e) yearly mortgage insurance the provisions of paragraph 3, in lieu Lender may, at any time, collect and related mortgage loan may require for 1974 as amended from time to time, less a lesser amount. If so, Lender in Lender may estimate the amount of Escrow Items or otherwise in accordance

The Funds shall be held in an (including Lender, if Lender is such an Escrow Items. Lender may not charge verifying the Escrow Items, unless Lender a charge. However, Lender may require used by Lender in connection with applicable law requires interest to be paid Borrower and Lender may agree in writing without charge, an annual accounting debit to the Funds) was made. The Funds

If the Funds held by Lender exceed for the excess Funds in accordance with this instrument is not sufficient to pay the Escrow, Lender shall pay to Lender the amount necessary in twelve monthly payments, at Lender's discretion.

Upon payment in full of all such Funds held by Lender, if, under paragraph of the Property, shall apply my Funds this Security instrument.

3. Applications of Payments. Until

**4. Charges; Liens.** Borrower shall which may attain priority over this See these obligations in the manner provided to the person owed payment. If Borrower fails to make these payments, the

Borrower shall promptly discharge writing to the payment of the obligation by, or defend, against enforcement of enforcement of the lien; or (2) secures this Security Instrument. If Lender detaches Security Instrument, Lender may give notice of the action; see form 25-NC within

overments to or being after executed on the property, and all covenants, indentures, and additions shall also be covered by this Security Agreement instrument is the "Property."

Borrower is lawful owner of the estate hereby conveyed and has the right to grant and convey the same, except for encumbrances of record. Borrower warrants and will defend against all claims and demands, subject to any encumbrances of record.

stitution whose deposits are insured by a federal agency, instrumentality, or entity institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Borrower for holding and applying the Funds, annually analyzing the escrow account, or er pays Borrower interest on the Funds and applicable law permits Lender to make such Borrower to pay a one-time charge for an independent real estate tax reporting service is loan, unless applicable law provides otherwise. Unless an agreement is made or Lender shall not be required to pay Borrower any interest or earnings on the Funds, ing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, f the Funds, showing credits and debits to the Funds and the purpose for which each are pledged as additional security for all sums secured by this Security Instrument.

the amounts permitted to be held by applicable law, Lender shall account to Borrower the requirements of applicable law. If the amount of the Funds held by Lender at any time when due, Lender may so notify Borrower in writing, and, in such case Borrower is to make up the deficiency. Borrower shall make up the deficiency in no more than 30 days.

secured by this Security Instrument. Lender shall promptly refund to Borrower any amount paid by Borrower to Lender prior to the date of the release of the title to the Property, prior to the acquisition or sale of the Property by Lender at the time of acquisition or sale as a credit against the sums secured by

applicable law provides otherwise, all payments received by Lender under paragraphs payment charges due under the Note; second, to amounts payable under paragraph 2; due; and last, to any late charges due under the Note.

pay all taxes, assessments, charges, fines and impositions attributable to the Property  
Instrument, and household payments or ground rents, if any. Borrower shall pay  
in paragraph 2 or if not paid in this manner, Borrower shall pay them on time directly  
all promptly furnish to Lender all notices of amounts to be paid under this paragraph.  
Borrower shall promptly furnish to Lender receipts evidencing the payments.

any new which has priority over this security instrument unless Borrower: (a) agrees in writing to subordinate the new lien to this security instrument; or (b) cures by the lien in a manner acceptable to Lender; (c) contests in good faith the lien in the holder of the lien and agrees to make arrangements satisfactory to Lender subordinating the lien to one that any part of the property is subject to a lien which may attain priority over Borrower and notice identifying the lien. Borrower shall satisfy the lien or take one or 10 days of the giving of notice.

5. Lender or Proprietary has  
assured against loss by fire  
and flooding, for which Lender  
requires. The insurance  
which shall now be uninterrupted,  
cancellation, claim coverage to protect  
All insurance policies and rates  
shall have the right to hold the paid  
premiums and renewal notices.  
Lender may make proof of loss if not

Unless Lender and Borrower otherwise agree, Property damaged, if the restoration or repair is not economically feasible or secured by this Security Instrument, Property, or does not answer within 30 days to Lender's reasonable demands, Lender may collect the insurance proceeds secured by this Security Instrument.

Unless Lender and Borrower otherwise agree in writing, if the due date of the monthly payment falls on a Saturday, Sunday or a public holiday, the due date shall be the next working day. In the event of a default by the Borrower, the Lender may declare the entire amount outstanding under this Agreement to be due and payable immediately.

6. Occupancy, Preservation, Maintenance. Borrower shall occupy, establish, and use this Security Instrument and shall continue the date of occupancy, unless Lender certifies extenuating circumstances exist which would allow the Property to deteriorate or proceed, whether civil or criminal, Property or otherwise materially impair the Property and reinstate, as provided such a default and reinstate, as provided that, in Lender's good faith determination, impairment of the lien created by this Security Instrument, during the loan application process, Borrower, during the loan application process, to provide Lender with any material information, representations concerning Borrower's household, Borrower shall comply with all household and the fees listed shall not exceed

7. Protection of Lender's Rights in this Security instrument, or there is a legal proceeding in bankruptcy, probate, for control, pay for whatever is necessary to protect the include paying any sums secured by a reasonable attorney's fees and entering on the 7. Lender does not have to do so.

Any amounts disbursed by Lender in  
Security instrument. Unless Borrower and Lender  
have agreed otherwise, the Note rate shall apply  
to all amounts disbursed.

**3. Mortgage insurance.** If Lender requires mortgage insurance coverage required by Lender, Borrower shall pay the premium for mortgage insurance coverage substantially equivalent to the cost to Borrower of the mortgage insurance substantially equivalent at a mortgage insurance company to benefit of the yearly mortgage insurance premium in effect. Lender will accept, use and return

10/24/2014 8:37

Borrower shall keep the insurance coverage now existing or hereafter erected on the premises now existing or hereafter erected on the intended coverage" and any other hazards, including liability, as may be maintained in the amounts and for the periods herein by Borrower subject to Lender's approval of the coverage described above; Lender may, at Lender's expense with paragraph 7.

If Lender requires, Borrower shall promptly give to Lender all receipts of premiums paid promptly by Borrower.

was agreed in writing, insurance proceeds shall be applied to restoration or repair of the repair is economicall feasible and Lender's security is not lessened. If the restoration or Lender's security would be lessened, the insurance proceeds shall be applied to the sums either or not then due, with any excess paid to Borrower. If Borrower abandons the days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may use the proceeds to repair or restore the Property, or to pay sums due or not then due. The 30-day period will begin when the notice is given. otherwise agreed in writing, any application of proceeds to principal shall not extend or payments referred to in paragraphs 1 and 2 or change the amount of the payments. If settled by Lender, Borrower's right to any insurance policies and proceeds resulting from action shall pass to Lender to the extent of the sums secured by this Security Instrument.

**Residence and Protection of the Property; Borrower's Loan Application; Leaseholds.** Borrower's principal residence within sixty days after the execution of the Property to occupy the Property as Borrower's principal residence for at least one year after otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless beyond Borrower's control. Borrower shall not destroy, damage or impair the or commit waste on the Property. Borrower shall be in default if any forfeiture final, is begun or created by this Security Instrument or Lender's security interest. Borrower may claim paragraph 18, b, causing the action or proceeding to be dismissed with a ruling precludes forfeiture of the Borrower's interest in the Property or other material Security Instrument or Lender's security interest. Borrower shall also be in default if is given false or inaccurate information or statements to Lender (or failed timely to advise Lender of any change in such information or statements) in connection with the loan evidenced by the Note, including, but not limited capacity of the Property as a principal residence. If this Security Instrument is on a the provisions of the lease. If Borrower acquires fee title to the Property, the less Lender agrees to the merger in writing.

**Property.** If Borrower fails to perform the covenants and agreements contained in proceeding that may significantly affect Lender's rights in the Property (such as a motion or for injunction or to enforce laws or regulations), then Lender may do and value of the property and Leander's rights in the Property. Lender's actions may which has priority over this Security Instrument, appearing in court, paying Property to make repairs. Although Lender may take action under this paragraph at this time.

er this Paragraph 7 shall become additional debt of Borrower secured by this  
ide, agree to other forms of payment, these amounts shall bear interest from the  
ill be payable, with interest, upon notice from Lender to Borrower requesting  
d information.

mortgage insurance as a condition of making the loan secured by this Security received to maintain the mortgage insurance in effect. If, for any reason, the Lender ceases to be in effect, Borrower shall pay the premiums required to maintain the mortgage insurance previously in effect, at a cost substantially equivalent to the previously in effect, fifteen days after the mortgage insurer approved by Lender. If coverage is not available, Borrower shall pay to Lender each month a sum equal to monthly being paid by Lender under the insurance coverage issued or renewed so these payments are no longer effective in the event of non-maintenance. Loss reserve

payments may no longer be required if Lender requires) provided by a title premium as required to insure a title insurance policy in accordance with law.

9. Inspection. Lender, or at a Borrower's option, at the time of or prior to:

10. Condemnation. The notice of condemnation or other taking of any part of the Property shall be paid to Lender.

In the event of a total taking of whether or not then due, with any fair market value of the Property named Security instrument immediately before this Security instrument shall be reduced by the amount of the sums secured immediately before the taking, divided by the fair market value of the Property immediately before the taking, multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security instrument shall be reduced by the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security instrument.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums otherwise agreed in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

11. Borrower Not Released. If nonamortization of the sums secured does not operate to release the liability of commences proceedings against any of the sums secured by this Security instrument, Lender may exercise any right or remedy available to Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns. Security instrument shall bind and operate to release the liability of commences proceedings against any of the sums secured by this Security instrument, Lender may exercise any right or remedy available to Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

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

14. Notices. Any notice to Borrower provided for in this Security instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or at any other address Lender designates by notice to Borrower. Any notice provided for in this paragraph shall be 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 conflicts with applicable law, such conflict shall not affect other provisions of this Security instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security instrument and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is held 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 provision shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security instrument.

If Lender exercises this option less than 30 days from the date of this Security instrument, if Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies without further notice or demand on Borrower.

the option of Lender, a gain mortgage interest in a written affidavit dated day and a reason for its issuance.

18. Insurance coverage (to be minimum and for the period available and is obtained. Borrower shall pay a loss reserve until the requirement for mortgage title insurance and inspection of the property. Lender shall give notice of default, direct or consequential, in connection with any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

19. Property, the proceeds shall be applied to the sums secured by this Security instrument, less paid to Borrower. In the event of a partial taking of the Property in which the fair value before the taking is equal to or greater than the amount of the sums secured by this Security instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total value before the taking, divided by (b) the fair market value of the Property immediately before the taking. In the event of a partial taking of the Property in which the fair value before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security instrument, whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums otherwise agreed in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

20. Release of Lender. Extension of the time for payment or modification of this Security instrument granted by Lender to any successor in interest of Borrower shall be original Borrower or Borrower's successors in interest. Lender shall not be required to exercise in interest or refuse to extend time for payment or otherwise modify amortization of this Security instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

21. Successors and Assigns. The covenants and agreements of this Security instrument shall bind and operate to release the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenant not to transfer the interest in the Property named Security instrument only to mortgage, grant and convey that interest to Lender or Lender's successors in interest. Any Borrower who co-signs this Security instrument (a) is co-signing this Security instrument only to mortgage, grant and convey that interest to Lender or Lender's successors in interest; (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.

22. Joint and Several Liability; Co-signers. The covenants and agreements of this Security instrument shall be joint and several. Any Borrower who co-signs this Security instrument (a) is co-signing this Security instrument only to mortgage, grant and convey that interest to Lender or Lender's successors in interest; (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.

23. Notices. Any notice to Lender provided for in this Security instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or at any other address Lender designates by notice to Borrower. Any notice provided for in this paragraph shall be given to Borrower or Lender when given as provided in this paragraph.

24. 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 conflicts with applicable law, such conflict shall not affect other provisions of this Security instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security instrument and the Note are declared to be severable.

25. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is held 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 provision shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security instrument.

If Lender exercises this option less than 30 days from the date of this Security instrument, if Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies without further notice or demand on Borrower.

18. Enforcement of the Security Instrument by (a) suit for non-compliance or (b) entry of a decree which then would be liable for any debt or obligation of any of his co-venturers, not limited to, the amount of this Security Instrument. In case of acceleration of this Security Instrument, such decree shall remain in force notwithstanding the case of acceleration.

19. Sale of Note; Change of Instrument) may be sold one or more times as the "Loan Servicer") that collects and/or stores changes of the Loan Servicer will be given written notice of the change in accordance with the address of the new Loan Servicer and all information required by applicable law.

29. Hazardous Substances. Boro  
Hazardous Substances on or in the Prop-  
erty that is in violation of any Envi-  
ronmental Protection Law, and to maintenance of the  
Borough.

Borrower shall promptly give Lender governmental or regulatory agency, or person of which Borrower has actual knowledge, any removal or other remediation of any all necessary remedial actions in accordance with paragraph 20.

As used in this paragraph 20, "Hazardous Environmental Law" and the following substances: pesticides and herbicides, volatile solvents, relate to health, safety or environmental protection.

**1034-UNIFORM COVENANTS, BO  
21 - Acceptance B**

21. Acceleration; Remedies. Lender of any covenant or agreement in this applicable law provides otherwise). The (c) a date, not less than 30 days from the (c) that failure to cure the default or secured by this Security Instrument and reinstate after acceleration and the right defense of Borrower to acceleration and Lender, at its option, may require immediate further demand and may invoke the power entitled to collect all expenses incurred in reasonable attorneys' fees and costs of

If Lender violates the power of sale, occurrence of an event of default and be recorded in each county in which any manner prescribed by applicable law to required by applicable law, Trustee, within bidder at the time and place and under the Trustee determines. Trustee may postpone and place of any award.

Trustee shall deliver to the Purchaser  
expressed or implied. The recitals in the  
Trustee shall apply the proceeds of  
not limited to, reasonable Trustee's and att-  
estees to be the person or persons legally entitled  
to receive the same.

22. Recovery of moneys. Upon payment of  
the balance of the Property and shall surrender it  
to the Trustee. The Trustee shall recover the  
Property or persons who shall pay any reparation  
to the Trustee. If the person or persons  
responsible for the damage is liable to a fine  
under applicable law.

23. Substitution Trustee. Lender may, if appointed hereunder, without conveyance of specified open Trustee herein and by application, appoint another Trustee. As used in this Section, it shall be an appellate court.

**CHICAGO TRIBUNE** - The Chicago Tribune is a daily newspaper based in Chicago, Illinois, United States. It is owned by Tribune Media and is one of the largest newspapers in the country.

is, Borrower shall have the right to have  
the earlier of (a) 10 days (or such other period as  
pertaining to any power of sale contained in this  
Instrument. Those conditions are that Borrower: (a) pays  
the Note as if no acceleration had occurred, (b)  
uses in court in enforcing this Security Instrument  
action as Lender may reasonably require to assure  
Borrower's obligation to pay the sums secured by  
this instrument. However, the right to mitigate does  
not occur. Nevertheless, the right to mitigate does  
not occur.

an Servicer. The Note or a partial interest in the Note (together with this Security  
es without prior notice to Borrower. A sale may result in a change in the entity (known  
tify payment due under the Note and this Security Instrument. There also may be one  
elated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be  
rdance with paragraph 14 above and applicable law. The notice will state the name and  
e address to which payments should be made. The notice will also contain any other  
ver shall not cause or permit the  
e

ver shall not cause or permit the presence, use, disposal, storage, or release of any property. Borrower shall not do, nor allow anyone else to do, anything affecting the Environmental Law. The preceding two sentences shall not apply to the presence, use, or possession of Hazardous Substances that are generally recognized to be appropriate.

written notice of any investigation, claim, demand, lawsuit or other action by any party involving the Property and any Hazardous Substance or Environmental Law. If Borrower learns, or is notified by any governmental or regulatory authority, that a hazardous substance affecting the Property is necessary, Borrower shall promptly, with Environmental Law.

**Section 10. Environmental Protection.** The Borrower shall not pollute or damage the Property in any manner which would violate any applicable environmental laws, regulations, or standards. If such a violation occurs, the Borrower shall promptly take all necessary steps to correct it and shall not commence any work which would further pollute or damage the Property without first obtaining written permission from the appropriate environmental agency. The Borrower shall also comply with all applicable laws, regulations, and standards relating to the handling, storage, transportation, and disposal of hazardous substances.

owner and Lender further covenant and agree as follows:

shall give notice to Borrower prior to acceleration following Borrower's breach  
Security Instrument (but not prior to acceleration under paragraph 17 unless  
notice shall specify); (a) the default; (b) the action required to cure the default;  
date the notice is given to Borrower, by which the default must be cured; and  
before the date specified in the notice may result in acceleration of the sums  
due of the Property. The notice shall further inform Borrower of the right to  
to bring a court action to assert the non-existence of a default or any other  
date if the default is not cured on or before the date specified in the notice,  
payment in full of all sums secured by this Security Instrument without  
of sale and any other remedies permitted by applicable law. Lender shall be  
pursuing the remedies provided in this paragraph 21, including, but not limited  
the evidence.

Lender shall execute or cause Trustee to execute a written notice of the Lender's election to cause the Property to be sold and shall cause such notice to be recorded in the office where the Property is located. Lender or Trustee shall give notice of sale in the manner provided by applicable law. After the time of demand on Borrower, Lender shall sell the Property at public auction to the highest bidder of all or any parcel of the Property in one or more parcels and in any order Lender or its designee may purchase the Property at any sale. Trustee's deed conveying the Property is as follows:

user's deed conveying the Property without any covenant or warranty, shall be prima facie evidence of the truth of the statements made in the following order: (a) to all expenses of the sale, including, but not limited to, (b) to all sums secured by this Security Instrument; and (c) any

is shall secure by this Security instrument. Lender shall request Trustee to file Security Instrument and all notes evidencing debt secured by this Security instrument with the person or persons legally entitled to it. Such party (such as the Trustee) for services rendered and the amount of

for services rendered and the charging of the fee is  
a time to time require Trustee and appoint a successor trustee to any Trustee  
Property, the successor trustee shall succeed to all the title, power and duties  
and the like and in the like manner. Attorneys fees shall include any attorneys'

25. Riders to this Security Instrument, if any, the covenants and agreements of the covered land, and agreements of the Security Instrument as if the rider(s) were a part of this Security Instrument.

[Check applicable box(es)]

- Adjustable Rate Rider
- Graduated Payment Rider
- Balloon Rider
- V.A. Rider

Condominium Rider

Planned Unit Development Rider

Improvement Rider

Other(s) (Specify): **ADDENDUM**

14. Family Rider

Biweekly Payment Rider

Section Home Rider

BY SIGNING BELOW Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower.

Witnesses:

RUTH JOHNSON

(Seal)

-Borrower

(Seal)

Bon

(Seal)

-Borrower

(Seal)

Bon

(Seal)

-Borrower

STATE OF OREGON.

On this 25 day of July, 1997,  
RUTH JOHNSON,

the foregoing instrument to be  
My Commission Expires: 5-20-01

(Official Seal)

STATE OF OREGON  
KAREN LAM LIVE  
NOTARY PUBLIC  
COMMISSIONER OF  
COMMISSIONS AND RESERVES  
Address: 01-  
Date: 6/14/97

County: Klamath

personally appeared the above named  
and acknowledged

voluntarily and as a true and

Before me:

Notary Public for Oregon

Form 3035 9/92

SITE OF OREGON COUNTY OF KLA

Filed for record at request of

of CLARK D. 9

o

Fee: \$15.00

Amended 17 filed 17 day

of JULY, 1997

at KLAMATH

Page 1 of 1

Lin 1

Line 1

INDEXED

*Kathy*

RECORDED

&lt;

**Oregon Housing and Community Services Department  
Residential Loan Program  
Addendum to the Deed of Trust**

The Lender intends to assign the rights under the attached Deed of Trust to the Oregon Housing and Community Services Department, State of Oregon ("the Department"), in the event the Department acquires such assignments, the rights and obligations of the parties to the Addendum and the provisions of the Deed of Trust or Note, the provisions of this Addendum shall control.

1. As long as this mortgage is held by the Department, or its successors or assigns, the Lender may declare all sums secured hereby due and payable if:

a. all or part of the property is sold or otherwise transferred by Borrower to a purchaser or other transferee;

(i) who cannot reasonably be expected to occupy the property as a principal residence within a reasonable time after all as provided in Section 143(e) and (f)(2) of the Internal Revenue Code; or

(ii) who has had a principal residence during any part of the four-year period ending on the date of transfer, all as provided in Section 143(d) and (f)(2) of the Internal Revenue Code (except that the language "100 percent" shall be substituted for "95 percent or more" where the latter appears); or

(iii) at an acquisition price which is greater than 90 percent of the average annual purchase price (greater than 110 percent for targeted areas); or

(iv) who has a gross family income in excess of the applicable percentage of applicable median family income as provided in Sections 143(f) and (g)(2) of the Internal Revenue Code; or

b. Borrower fails to occupy the property described in the mortgage without prior written consent of the Lender or described at the beginning of this Addendum; or

c. Borrower commits or incurs a fee that is in conflict with respect to the provisions of Section 143 of the Internal Revenue Code in an application for this mortgage.

References are to the Internal Revenue Code as amended and in effect on the date of issuance of bonds, the proceeds finance the purchase of the mortgage, and are deemed to include the implementing regulations.

2. The Borrower understands that application are necessary on the agreements and statements of fact contained in the Addendum to Residential Loan Application for granting this loan.

3. The Borrower agrees that future advances will be made under this Deed of Trust without the consent of the Department.

Unless you (the Borrower) pay off this trust, we (the Department) may not be able to protect your interests. If I pay my claim you make or any claim I have obtained property coverage.

You are responsible for the cost of any insurance purchased by us. The cost of this insurance may be added to your loan balance. The interest rate on the underlying loan will apply to this added amount.

The effective date of coverage is the date your coverage lapses or the date you failed to provide proof of coverage.

This coverage we purchase is not intended to meet your property insurance requirements imposed by applicable law.

**WARNING**

We ask you (the Borrower) to provide us (the Department) with evidence of the insurance coverage as required by this Deed of Trust. We purchase insurance at your expense to protect our interest. This insurance may, but need not, cover collateral (the Trust Property) if it is damaged, the coverage we purchase may not be made against you. You may later obtain this coverage by providing evidence that you have obtained property coverage elsewhere.

If you fail to provide proof of coverage, the interest rate on the underlying loan will apply to this added amount. The effective date of coverage is the date your coverage lapses or the date you failed to provide proof of coverage. This coverage we purchase is not intended to meet your property insurance requirements imposed by applicable law.

The Borrower understands and agrees that if the  
entirety of this loan is pre-cessed by the Lender,  
the principal amount of the above pre-cessed loan  
is reduced, that the above principal and interest  
remain, and the monthly installments remain

the same as the Note and the interest  
rate is increased to 10% per annum, or if such purchase  
is to be effected by the Lender, the interest  
rate may be increased to 10% per annum, and the  
monthly installments may be increased to \$ 444.09.

NOTICE TO BORROWER: THIS DOCUMENT  
DOES NOT SIGNIFY LESS YOU HAVE  
HEREBY CONSENTED TO THE MODIFICATIONS OF THE  
LOAN CONTRACT.

Date: 1-4-99

STATE OF OREGON

County of Clatskanie

On 1-4-99 before  
appeared the within named  
described and who executed the within  
the same freely and voluntarily.

IN TESTIMONY WHEREOF, the

OFFICIAL SEAL  
KARLIE MUNDIRON  
NOTARY PUBLIC, OREGON  
COMMISSIONED: 30/1/93  
EXPIRES: MAY 29, 1998

(Seal)

After recording, mail to:  
STATE BANK  
KIM WALTERS  
P.O. BOX 5210  
ATLANTIC, IA 50021  
BENTON COUNTY, IOWA

Filed for record in effect of  
of JUNE 21, 1999

FRE 140.00 Re-record

VALLY BANK TRUST  
KIM WALTERS  
P.O. BOX 5210  
ATLANTIC, IA 50021  
BENTON COUNTY, IOWA

SEARCHED: 1:15 P.M.  
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ON PAGE: 2382

Ladd Smith, County Clerk  
1/21/02 1:22 P.M.

day