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town No. 01-(1983-001009622-3	े भी अपनेत्रका स्थाप करें के हुए हो एउट हो करते हैं . हिंदी एक सिंग्यू हो स्थाप करते हैं . हिंदी के सिंग्यू के हुए हो है है है है है है . हिंदी अपने सिंग्यू के सिंग्यू के सिंग्यू है . हिंदी है . हिंदी सिंग्य
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DEED OF TRU LINE OF CREDIT INST	
The maximum principal amount to be advance note (loan agreement) secured by this Deex	ed pursuant to the promissory
note (Toan agreatent) secured by this need	1 Or 11 dag 18 5119,900.00.
THIS DEED OF TRUST ('Security Instrument') is made on <u>Fel</u> The grantor in MICHASL C. SCOTT and NIKOLLE L. SCOTT	onuary 4th, 1999
ing grands of the training of States that the States in Section	Color behavioral desirable and Y and the hands have be y
("Borrowar"). The	trustee is AMERITITLE, an Oregon
Corporation	("Trustee"). The beneficiary is
WASHINGICH MUTUAL BANK, a Washington Corocration and what the laws of Washington and who says the laws of Washington and Washi	, which is organized and existing icse address is 1201 THIRD AVENUE,
SEATTLE, W. 98101	("Lender").
Borrower owns Lander the principal sum of <u>ONE HUNDFED NINETS</u> Dollars (U.S. \$ 119, 900	0.00). This debt is evidenced by Borrower's
note dated the same date as this Security Instrument ("Note"), which p	provides for monthly payments, with the full dept, if not
paid earlier, due and payable on <u>November 1st., 2028</u> secures to Lender: (a) the repayment of the debt evidenced by the	This Security instrument
modifications of the Note; (c) the payment of all other sums, with interest	
of this Security Instrument; and (c) the performance of Dioricwer's cov	
or this decurry memorism, and by the principalities of chinoved a cover and the Note. For this purpose, Borrower inevocably grants and convi	
and the next. Pot this purpose, noticinal inspectiony grants and contended property located in <u>KLAWYTH</u>	County, Oregen:
- том не в предоставления на предоставлен	
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tion of the control o	ကျင်းရာမှာကို ပညာပေးကိုကို လည်းရာ ကြိုင်းသည်။ လည်းသည်။ မိန့်ကြို့နော်မှုနော်များသည် ကိုမိုက်ကျားသည်ကြိုင်းပည်သည်မို့ကျားသည့်နှစ်တွင် ပြင်သည်။
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and the second of the second o	on a province por able con a sur a province more particles (from bounds) as a province and have been associated to the control of
which has the address of LOT 18 SILVER RUCE ESTATES	KLAMATH FALLS
(Street) Oracon 97601 ("Property Address");	et i vilgansk previdensje vilgensk ligt (f.) 19 . ichyl og en gregoria. Tre vilginist for av singligensk film
Gregon (77801 (Property Acutess),	and the property of the second section of the second section of the second section of the second section of the
TOGETHER WITH all the improvements now or hereafter erected (on the properly, and all easements, appurtenances, and
the state of the first and the	and additions shall also be covered by this Security

Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the distate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbared, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

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

UNIFORM COT/ENANTS. Betroiver and Lunder covenant and egree as follows:

Payment of Principal and Interest; Prepayment and Line Charges. Borrower shall promptly pay when due the principal of and interest on the data evidenced by the blots and any prepayment and late charges rive under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the flots, until the Note is peld in full, a sum (Funds) for: (a) yearly taxes and assessments which may attain priority over this Bacurity instrument as a lien on the Property; (ii) yearly leasehold payments or ground rents on the Property, if any; (ii) yearly Essand or properly Ensurance pramisms; (c) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (i) any suma payable by Borrower to Lender, in secondance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These terms are called 'Escrow Items.' Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lander for a laderally related modigage loan may require for Borrower's escrow account under the foderal Real Estate Sattlement Procesturas Act of 1974 as amended from time to time, 12 U.S.C. Section 2601 et seq. ("RESPA"), unless another law that applies to the Funds sats a lesser amount. If so, Lender may, et any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

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

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

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

1. under paragraph .11, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

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

concept due; and last, to any late charges one under the Note.

4. Chargas: Liene. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security instrument, and leasahold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in payagraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall paymently furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall

promptly furnish to Lander receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a mainer acceptable to Lender; (b) contents in good faith the lien by, or defends against and or cament of the if in in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the habber of the han an egreement sellistantory to Lander subordinating the lien to this Security Instrument. If Lender determines that any part of the Property in subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice Identifying the lien. Harrawer shall a size, the San or take one or man of the extens en forth above within 10 days of the giving of notice.

3. Hazard or Property Inaurance. Borrower shall keep the Improvements now existing or hereafter erected on the Property insured against less by the Trazards included within the term 'extended coverage' and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shell be maintained in the amounts and for the parious that Lender requires. The insurance carrier providing the insurance shall be chosen by Serrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above. Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Londer may make proof of loss if not made premiptly by Borrower.

Liness Linder and Berrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is aconomically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lander that the insurance carrier has offered to sattle a claim, then Londer may collect the insurance proceeds. Lender may use the proceeds to epair or restors the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall gass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Occuping, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall confinue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are boyond Borrower's control. Betrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shad as in details if any forfature action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in fortesture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Landar's good fath determination, precludes forfeiture of the Borrower's Interest in the Property or other material impairment of the lien created by this Saconty local anest or Lendar's security Interest. Borrower shall also be in default it Borrower, during the loan application process, gave and a property of the contraction of the property of the property of the contraction of the contraction of the contraction with restdance. If this Security Instrument is on a leacehold, Borrower chall comply with all the provisions of the lease. If Borrower ecquires fee title to itia Property, the law shold and the lastitle shall not merge unless Lender agrees to the merger in writing

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security naturment, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for songerments or fortisture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security instrument, appearing in coult, paying reasonable attorneys fees and entering on the Property to make repairs. Although ander may take aption under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 chall become additional debt of Borrower secured by this Security instrument. Unless Sorrower and Lender agree to other terms of payment, these amounts shall be an interest from the date of disbursement at the Note rate and shall be payable, with interest upon notice from Lender to Borrower requesting payment.

a. Mortgage maurimos. If Lender required mortgage incurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lander Lapses or cases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the managage 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 insurance approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall day to Landar each month a sum oqual to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsoid or reased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance.

Less reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that sander requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums sugarred to maintain mortgage insurance in effect, or to provide a loss resorve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lander or applicable law.

Loan #: 01-0983-001006622-3

3. In medicar. Lander or its agent may make resconable entries upon and inspections of the Property. Lander shall give Borrower notice er the time or or in for to an inspection specifyl 10 reusonable dat so for the Inspection

10. Create mastern. The privates of any award or claim for damages, direct or consequential, in connection with any condemnation or

10. Consideration. The privated of any exact or claim for damages, direct or consequential, in connection with any condemnation or client taking of any part of the Property, or for conveyance in like of condemnation, are hereby assigned and shall be peld to Lender.

In the event of a total taking of the Property, the processes shall be applied to the sume secured by this Security Instrument, whether or not then due, with any axesses paid to Berrower. In the event of a partial taking of the Property in which the fair market value of the Property taking to the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless the taking and Lander 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, divided by (b) the fair analysis of a notificial taking of the Property. market value of the Property immediately before the taking. Any balance shell be paid to Borrower. In the event of a partial taking of the Property in which the fact market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Bonower and Lencer 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.

sums secured by this Security instrument vinetness or not the sums are titled on 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 falls to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the processes, at at option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then

Unless Lendur and Borrower ciherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in pavegraphs 1 and 2 or change the amount of such payments.

11. Borrower Not Released; Forbeers noe By Lender Not a Walver. Extension of the time for payment or modification of amerization

11. Borrower Not Released; Forbearance By Lender Not a Walver. Extension of the time for payment or modification of amerization of the sum a source! by this Security instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability interest or refuse to extend time for payment or otherwise modify emortization of the sums secured by this Security Instrument by reason of any not be a waiver of or preclude the axercise of any right or remedy.

12. Successors and Assigns Bound; Johns and Several Liability; Co-signers. The covenants and agreements of this Security Instrument by the successor in interest and it in a description of the sums and agreements of this Security Instrument shall bir d and benefit the successors and resigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument but does not execute the Note: (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other without that Borrower's consent.

13. Loait Charges. If the joan secured by this Security Instrument of this Security Instrument or the Notice.

13. Loais 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 to that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, collected from Barcower which exceeded permitted limits will be refureded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Electrower. If a refund reduces principal, the reduction will be treated as a partial.

14. Medical. Any potion in flatrower provided to let this identity techniques to the definition of the permitted in the least of the least of the letter of the least of the letter o

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 enotier method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender, Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address center designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Cander when given us provided in this paragraph.

15. Governing Law, Severability. The Security instrument shall be governed by federal law end 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 anall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the providing of this Baculty instrument and the Note are declared to be severable.

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

17. Transfer of the Property or a Beruffolial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent. It has a solid or transferred and Borrower is not a natural person) without Lender's prior written consent. It has a solid or transferred and Borrower is not a natural person) without Lender's prior written consent. It has a solid or transferred and Borrower is not a natural person) without Lender's prior written consent. It has a solid or transferred by this Security Instrument. However, this option shall not be exercised by Lander shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. Borrower's Right to Reinstate. If Borrower meets centsin conditions, Borrower shall have the right to have enforcement of this Security instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for constatement of the Property junistrument to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing the 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 disault of any other covenants or agreements; (c) pays all expenses incurred in antoning this Security Instrument, including, but not limited to, reasonable attorneys' foes; and (d) takes such action as Lender may reasonably instrument attorney instrument attorneys instrument and conditions to assume that his ban of this decurity instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this remain fully affective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under

paragraph 17.

19. Sale of More; Change of Loats Berricus. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable talk. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made.

and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of reasonable state. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of reasonable shall promptly as Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or lagicatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any povernmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all nocessary remedial ections in accordance with Environmental Law. As used in this paragraph 20. 'Hazardous Substances' are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gesoffice, kerosene, other flammable or toxic petroleum products, toxic pesticides and horbicides, volatile solvests, materials containing asbestos or formal environmental covernant and agree as follows:

NON-UNIFORIA COVENANTS. Borrower and Lander further covenant and agree as follows:

reducial laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

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

21. Asselvation; Remedies. Lender axis give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify; (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this facunity instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration, and the right to hing a court action to assert the non-cristance 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 cyclon may require immediate payment in the of all sums secured by this Security instrument without further demand and may invoke the power of sale and any other remediae permitted by applicable law. Lender shall be entitled to collect all expenses industried in paragraph 21, including, but not limited to, reasonable informacy? Fees and costs of title evidence.

if Lamier in the 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 nause 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 malice of sale in the manner prescribed by applicable law to Acrrower and to other persons prescribed by applicable law. After the line required by applicable law, Trestee, without demand on Correspon, shall sail the Property at public nuction to the highest bidder at the time and place and under the terms designated in the nutice of sale in time of more parcels and in any order Trusted determines. Trustee may postpone sale of all or any parcel of the Property by gubik announcement at the time and piace of any previously scheduled sale. Lender or its designee may purchase the

Property of pount amounts and and and place of any previously concerned on the accignost may purchase and 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 recit is in the Trustee's deed shall be prime facio ovidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attermeys' feet; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

22. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and small rurrander this Security Instrument and all notes evidencing dobt secured by this Security Instrument to Trustee. Trustee shall reconvey the Prope by without warranty and Lender shall charge Borrower a release fee in an amount allowed by applicable law. Such person or persons shall pay any recordation costs.

23. Substitute Trustee. Let der may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed herounder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee

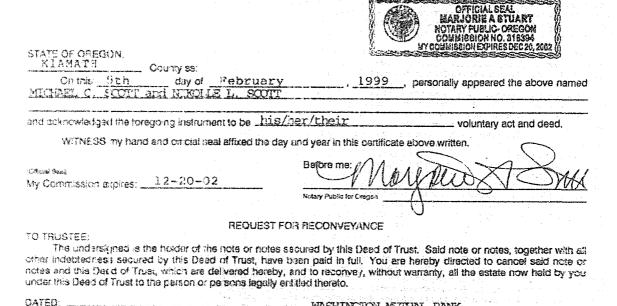
herein and by applicable law.

24. Afterneys' Fees. As used in this Security Instrument and in the Note, "attorneys' fees' shall include any attorneys' fees awarded by an appellate court

25. Fliders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a pan of this Security Instrument. [Check applicable box(es)]

☐ Adjustable Rate Rid	fer Concominium Rider			1-4 Family Rider
Greduated Paymani	: Hider Planned Unit Development Rid	ler	-	Biweekiy Payment Rider
☐ Balloon Riper	Rate improvement Flider	- 1		Second Home Rider
(hite (s) (specify)	Construction Addendum Rider			

BY SIGNING JELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any index(s) executed by Borrower and recorded with it,



4270 (1G/St)

Mail reconveyance to

Page 4 of 4

WASHINGTON MUTUAL BANK

a corporation

WASHINGTON MUTUAL Loan Servicing P.O. Box 91006, SAS0304 Seattle, WA 98111



Washington CONSTRUCTION TERM RIDER TO SECURITY INSTRUMENT Multual (Combination Construction and Permanent Loan)

Loan #:01-0983-001006622-3

THIS CONSTRUCTION TERM RIDER TO SECURITY INSTRUMENT ("Rider") is made this ath day of February 1999 and is incorporated into and shall be deered to amend and supplement the Mortgage, Deed of Trust or Deed to Secure Debt and Security Agreement of the same date, as modified by any other addendums or riders thereto (the "Security Instrument"), which has been given by the undersigned (the "Borrower") to secure Somewer's Note of the same date to WASHINGTON MUTUAL BANK, a Washington Composition (the "Lender"), as modified by any addendums or riders thereto, which Security Instrument covers the property described therein and located at the address shown below (the "Property"):

LOT 18 SILVER RID E ESTATES, KLAWITH FALLS, OR 97601
(Property Address)

Defined terms in the Note or the Security Instrument shall have the same meaning when used herein. To the extent that this Rider conflicts with the terms and conditions set forth in the Security Instrument, the terms and conditions set forth in this Rider shall control.

THE TERMS OF THE BORROWER'S LOAN PROVIDE FOR BOTH CONSTRUCTION AND PERMANENT FINANCING. THIS RIDER SETS FORTH THE PAYMENT TERMS AND CERTAIN OTHER PROVISIONS OF THE BORROWER'S LOAN APPLICABLE TO THE CONSTRUCTION LOAN PERIOD. THE SECURITY INSTRUMENT SECURES FUTURE ADVANCES.

ADDITIONAL COVENANTS. The Lender, the Borrower, and the Borrower's construction contract or have entered into a construction loan agreement (the "Construction Loan Agreement") which provides for the construction of a one to four family residence (which may be a manufactured or modular home) and certain other improvements (the "Improvements") on the Property. Accordingly, and in addition to the covenants and agreements made in the Note, Borrower and Lender further covenant and agree as follows:

974A 334W

Page 1 of 3

Loan #:01-0983-001006622-3

CONSTRUCTION LOAN AGREEMENT SECURED BY SECURITY INSTRUMENT.

The Security Instrument also secures performance of my obligations under the Construction Loan Agreement. If I am in default under the Construction Loan Agreement, I will also be in default under the Note and Security Instrument, and the Lender shall be entitled to exercise all remedies for default permitted by the Note and/or the Security Instrument. While I am making interest only payments as provided in the first paragraph of Section B below, the Security instrument shall be considered, for all intents and purposes, to be a 'Construction Deed of Trust' (or as applicable, a Construction Morigage or Deed to Secure Dubt).

B. PAYMENT DURING CONSTRUCTION LOAN PERIOD.

No withstanding anything to the contrary in the Note or any other document related to my Loan, I will make payments of all accrued interest on the amount of funds actually disbursed by the Lender under the Construction Loan Agreement beginning on the 1st , and on that day of each of the following 8 March, 1999 calendar months. I will begin making payments of principal and interest as provided in the Note on day of December, 1999

Notwithstanding the above, if construction of the Improvements has been completed in accordance with the provisions of the Construction Loan Agreement and the loan is fully disbursed prior to the due date of any interest only payment to be made under the immediately preceding paragraph, I will instead begin making payments of principal and interest as provided in the Note on the next Monthly Payment Date if requested to do so by the Lender.

SECURITY AGREEMENT.

The Security Instrument shall also constitute a Security Agreement with respect to all fixtures and personal property now or hereafter located at the Property and owned by Borrower, and with respect to all plans, permits, contracts, and payment and performance bonds in connection therewith, relating to construction of the improvements on the Property. The Security Agreement shall constitute a fixture filling with respect to any of the foregoing items which are deemed to be fixtures under applicable law. In the event of default, Lender shall have all rights and remedies with respect to such fixtures and personal property as are available under applicable law including, without limitation, the rights and remedies available to a secured party under the Uniform Communical Code of the State where the Property is located.

D. SALE OR TRANSFER OF PROPERTY DURING CONSTRUCTION LOAN PERIOD.

Any provisions in the Note and Security Instrument which permit me to sell or otherwise transfer the property without paying my loan off in full are inapplicable until construction of the imcrovements has been completed, the Ican has been fully disbursed, and I have commenced making principal and interest payments as provided above.

Loan #:01-0983-001006622-3

F. OCCUPANCY AS PRINCIPAL RESIDENCE.

Borrower's obligation pursuant to Section 6 of the Security Instrument to use the Property as Borrower's principal residence shall commence 60 days after construction of the Improvements have been completed.

IN WITNESS WHEREOF, Borrower has executed this Construction Term Rider as of the day and year first written above.

CHELC SCOTT WINDLES I STORY

9740 (03-10)

Page 3 of 3

STATE OF ORESCN : COUNTY (F KLAMATH: SS.			
Filed for record at request of	Amerititle	the	9th	da
of February A	D. 1999 at 2:13 o'clock Mcrtgages	P. M., and duly recorded in Vol. on Page 4724	М99	Ga
FEE \$35.00		Linda Smith, Cou y Kathlun Rosa	inty Clerk	