

FHA ASSUMPTION POLICY RIDER

NOTICE: THIS RIDER ADDS A PROVISION TO THE INSTRUMENT ALLOWING THE MORTGAGEE TO REQUIRE PAYMENT OF THE NOTE IN FULL UPON TRANSFER OF ALL OR PART OF THE PROPERTY.

This Assumption Policy Rider is made this 30 day of April 1999 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Instrument") of the same date given by the undersigned (the "Mortgagor") to secure the Mortgagor's Note (the "Note") of the same to SECURITY BANK (the "Mortgagee") and covering the property described in the instrument located at:

3929 CORONADO WAY, KLAMATH FALLS, OREGON 97603

AMENDED COVENANT. In addition to the covenants and agreements made in the Instruments, Mortgagee and Mortgagor further covenant and agree as follows:

The mortgagee shall, if permitted by applicable law and with the prior approval of the Federal Housing Commissioner, or his or her designee, declare all sums secured by this mortgage to be immediately due and payable if all or part of the property is sold or otherwise transferred (other than by devise or descent) to a purchaser or grantee who does not occupy the property as his or her principal residence, or to a purchaser or grantee who does so occupy the property but whose credit has not been approved in accordance with the requirements of the Commissioner.

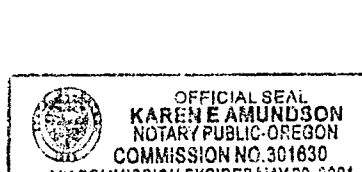
IN WITNESS WHEREOF, the Mortgagor has executed this Assumption Policy Rider

John R. Downing
JOHN R. DOWNING

State of Oregon
County of KLAMATH

I, the Undersigned hereby certify that on this 30th day of April 1999 personally appeared before me JOHN R. DOWNING described in and who executed the within instrument, and acknowledged that HE signed and sealed the same as HIS free and voluntary act and deed for the uses and purposes therein mentioned. Given under my hand and official seal the day and year last above written.

Karen E. Amundson
Notary Public in and for the State of Oregon
My commission expires: 5-29-01



State of Oregon, County of Klamath
Recorded May 4, 1999, at 3:23
at the referenced page, Vol. M99.
Linda Smith, County Clerk
Fee \$ 60-

Linda Smith