

Until a change is requested all tax statements shall be sent to the following address.

Vol M99 Page 47481

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

1999 DEC -1 PM 3:40

AFTER RECORDING RETURN TO: Lender has a mortgage insurance premium to the Secretary of Housing and
South Valley Bank & Trust
PO Box 5210, Klamath Falls,
OR 97601

Account Number: 830162608
Tax Account Number: 3909-03400-90041-000

3909-03400-90041-000

MTC 49545-KR

State of Oregon

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DEED OF TRUST

FHA Case No. 431-3395645

THIS SECURITY INSTRUMENT (Security Instrument) is made on NOVEMBER 30, 1999
The Grantor is ERVIN EDGE JR. and FLORENCE J. EDGE

TOGETHER WITH THE MORTGAGE DEED OF TRUST ON THE BICENTENARY AND 50th ANNIVERSARY

CLERK OF Klamath County, Oregon
Klamath Falls, Oregon
which has the address of 10400 MCCOY BLVD

("Borrower"). The trustee is AMERITITLE
222 S 6TH STREET, KLAMATH FALLS, OR 97601
("Trustee"). The beneficiary is SOUTH VALLEY BANK & TRUST

organized and existing under the laws of AN OREGON BANKING CORPORATION, which is
whose address is PO Box 5210, Klamath Falls, OR 97601, and
("Lender"). Borrower owes Lender the principal sum of
Thirty-Six Thousand Nine Hundred Fifty Dollars and Zero Cents (\$36,950.00)
This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which
provides for monthly payments with the full debt, if not paid earlier, due and payable on
December 1, 2029. This Security Instrument secures to Lender: (a) the repayment of the debt
evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the
payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this

GOVINDO 830162608
FHA Oregon Deed of Trust - 4/96
ELF-4R(OR) (9804) 01
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ELECTRONIC LASER FORMS, INC. - (800) 327-0545
Initials: E.E.
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LOAN NO. 830162608

Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to the Trustee, in trust, with power of sale, the following described property located in: being subject to the balance of Klamath County, Oregon, the following described property located in: being subject to the balance of Klamath County, Oregon: Unit 10466 (McGuire Avenue), Tract 1336 - FALCON HEIGHTS CONDOMINIUMS STAGE 1. According to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. (Lender) Borrower does hereby agree to pay to the Lender the principal of and interest on the loan of \$100,000.00, with interest at the rate of 10% per annum, payable in monthly installments of \$1,000.00, beginning on the first day of January, 1981, and continuing until the loan is paid in full. The Lender is SOUTH AVFLEY BANK & TRUST, 555 2nd EIM STREET, Klamath Falls, OR 97603. (Borrower) The Trustee is AMERICAN SAVINGS BANK, 1000 1st Street, Klamath Falls, OR 97603.

(Lender) The beneficiary is SOUTH AVFLEY BANK & TRUST, 555 2nd EIM STREET, Klamath Falls, OR 97603.

(Borrower) The Trustee is AMERICAN SAVINGS BANK, 1000 1st Street, Klamath Falls, OR 97603.

which has the address of 10466 MCGUIRE AVE,
KLAMATH FALLS

Oregon

97603

[Zip Code] ("Property Address");

[Street, City],

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances and fixtures now or hereafter a part of the property. All replacements 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 seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, 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 combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

State of Oregon

[Space Above This Line for Recording Date]

Borrower and Lender covenant and agree as follows:

3300-03400-00041-000

13* UNIFORM COVENANTS.

830162608

1. **Payment of Principal, Interest and Late Charge.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

2. **Monthly Payment of Taxes, Insurance and Other Charges.** Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required under paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and

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SOUTH AVFLEY BANK & TRUST

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should be sent to the following address:
Instruments not be returned as unpaid a bill

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Urban Development ("Secretary") nor in any year in which such premium would have been required if Lender still held the Security Instrument; each monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary, in a reasonable amount to be determined by the Secretary. Except for the monthly charge by the Secretary, these items are called "Escrow Items" and the sums paid to Lender are called "Escrow Funds."

Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. Section 2601, et seq. and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or disbursements before the Borrower's payments are available in the account may not be based on amounts due for the mortgage insurance premium.

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage as permitted by RESPA.

The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c); the Property as a principal residence; if this Security Instrument is on a reverse mortgage loan, the loan evidenced by the Note and the Security Instrument is not insured for reverse mortgage coverage.

3. Application of Payments: All payments under paragraphs 1 and 2 shall be applied by Lender as follows: first, to the mortgage insurance premium; second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required; third, to interest due under the Note; fourth, to amortization of the principal of the Note; and fifth, to late charges due under the Note.

4. Fire, Flood and Other Hazard Insurance: Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender. If any excess insurance proceeds are to be distributed to the Borrower, the Secretary or the Secretary's assignee, the Secretary shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in

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the undersigned under the Note and this Security Instrument that to such legalness amounts referred to
LOAN NO. 830162608 use proceeds shall be applied by lender as to the order of (a) to the reduction of
 accrued interest for any past period to lender interest or to governmental charges for lender interest
 the order in paragraph 3, and then to prepayment of principal; or (b) to the restoration or repair of the
 damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due
 date of the monthly payments which are referred to in paragraph 2, or change the amount of such
 payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness
 under the Note and this Security Instrument shall be paid to the entity legally entitled thereto, applicable to
 insurance that is covered with coverage provided by lender. The insurance proceeds shall not be used
 now. In the event of foreclosure of this Security Instrument or other transfer of title to the Property that
 extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force
 shall pass to the purchaser of the Property. The insurance shall be maintained in the amount and
 amount not in excess of the amount of the original policy and shall be maintained and covered by the

5. Occupancy, 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 (or within sixty days of a later sale or transfer of the Property) and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender determines that requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned Property. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing. If the proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in paragraph 3, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

6. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in paragraph 3, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

7. Charges to Borrower and Protection of Lender's Rights in the Property. Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

If Borrower fails to make these payments, or the payments required by paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation, or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in paragraph 2.

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Any amounts disbursed by Lender under this paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement, at the Note rate, and at the option of Lender, shall be immediately due and payable.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

8. Fees. Lender may collect fees and charges authorized by the Secretary.

9. Grounds for Acceleration of Debt.

(a) **Default.** Lender may, except as limited by regulations issued by the Secretary, in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

(i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or

(ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) **Sale Without Credit Approval.** Lender shall, if permitted by applicable law (including Section 341(d) of the Garn-St. Germain Depository Institutions Act of 1982, 12 U.S.C. 1701j-3(d)) and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:

(i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and

(ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.

(c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

(e) **Mortgage Not Insured.** Borrower agrees that if this Security Instrument and the Note are not determined to be eligible for insurance under the National Housing Act within 60 days from the date hereof, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

10. Reinstatement. Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and FHA Case No. 431-3395645

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reasonable and customary attorneys' fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding; (ii) reinstatement will preclude foreclosure on different grounds in the future; or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time of payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by 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.

12. Successors and Assigns Bound; Joint and Several Liability; Co-Signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 9(b). Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums 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.

13. 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 any address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

14. 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.

15. Borrower's Copy. Borrower shall be given one conforming copy of the Note and of this Security Instrument.

16. 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 Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

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Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

☒ As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS: Borrower and Lender further covenant and agree as follows: and each agrees to the Security Instrument. If one or more of these covenants are executed by Borrower and Lender.

17. Assignment of Rents. Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph 17. Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

18. Foreclosure Procedure. If Lender requires immediate payment in full under paragraph 9, Lender may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold, and shall cause such notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall give notice of sale in the manner prescribed by applicable law to Borrower and to the other persons prescribed by applicable law. After the time required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place under the terms designated in the notice of sale in one or more

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Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser, Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this Paragraph 18 or applicable law.

19. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs.

20. Substitute Trustee. Lender may, from time to time, remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

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

22. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants 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 part of this Security Instrument.

[Check applicable box(es)] ☒ Condominium Rider ☒ Growing Equity Rider ☐ Other (specify) _____

☒ Planned Unit Development Rider ☐ Graduated Payment Rider

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LOAN NO. 830162608

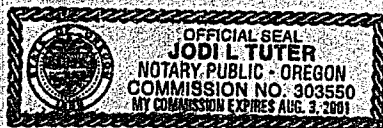
BY SIGNING BELOW, Borrower accepts and agrees to the terms contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.
Witnesses:

_____	<u>Ervin Edge Jr.</u> (Seal) ERVIN EDGE, JR. -Borrower
_____	<u>Florence J. Edge</u> (Seal) FLORENCE J. EDGE -Borrower
_____ (Seal) -Borrower	_____ (Seal) -Borrower
_____ (Seal) -Borrower	_____ (Seal) -Borrower
_____ (Seal) -Borrower	_____ (Seal) -Borrower

STATE OF OREGON, Klamath County ss:
On this 30th day of November, 1999, personally appeared the above named
ERVIN EDGE, JR. and FLORENCE J. EDGE

and acknowledged the foregoing Instrument to be their voluntary act and deed.
My Commission Expires: 8/3/01 Before me:

(Official Seal)



Jodi L. Tuter
Notary Public for Oregon

47490

FHA Case No.
431-3395645

CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 30 day of NOVEMBER, 1999, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note ("Note") to SOUTH VALLEY BANK & TRUST

("Lender") of the same date and covering the Property described in the Security Instrument and located at:

10466-MCGUIRE AVE, KLAMATH FALLS, OR 97603

[Property Address]

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as: FALCON HEIGHTS CONDOMINIUM ASSOCIATION, INC.

LEOBENCE STREET EDGE

[Name of Condominium Project]

("Condominium Project"). If the owners association or other entity which acts for the Condominium Project ("Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

B. CONDOMINIUM COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

- A. So long as the Owners Association maintains, with a generally accepted insurance carrier, a master or blanket policy insuring all property subject to the condominium documents, including all improvements now existing or hereafter erected on the Property, and such policy is satisfactory to Lender and provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and other hazards included within the term "extended coverage," and loss by flood, to the extent required by the Secretary, then: (i) Lender waives the provision in Paragraph 2 of this Security Instrument for the monthly payment to Lender of one-twelfth of the yearly premium installments for hazard insurance on the Property, and (ii) Borrower's obligation under Paragraph 4 of this Security Instrument to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy. Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage and of any loss occurring from a hazard. In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the condominium

Initials: EE
79E

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47491

ELF-288 (Rev. 11/61)

ЕГРЕСНОМЪ ГИЗЕЛЪ ОУИДЪ ИО - 1500 355 0272

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ЕЛН ВЪИДЪИНА СОНДОИНИУМ ИИДЪ - 10132

in full of satisfaction of loan following a loan to the Property subject to the condominium and loan occupying from a parcel in the event of a partition of interest mortgage borrower shall give lender borrower notice of any sales in interest mortgage for sales and on extent that the reduced coverage is provided by the Owners Association except for the unit or to the common elements any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by this Security Instrument, with any excess paid to the entity legally entitled thereto.

B. Borrower promises to pay all dues and assessments imposed pursuant to the legal instruments creating and governing the Condominium Project.

C. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph C shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable with interest upon notice from Lender to Borrower requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Condominium Rider and of Borrower's interest.

Considered: the Property also includes Borrower's interest in the Owners Association and the project ("Owners Association") and the to be held for the project of the mortgage of ("Condominium Project"). If the Owners Association or other entity is the Condominium Project.

(Seal) *Ervin Edge, Jr.* (Seal)
-Borrower ERVIN EDGE, JR. -Borrower

(Seal) *Florence J. Edge* (Seal)
-Borrower FLORENCE J. EDGE -Borrower

condominium project known as: LAGSON HEIGHTS CONDOMINIUM ASSOCIATION, INC.
The Property includes all in interest (Seal) *Florence J. Edge* (Seal)
-Borrower -Borrower

located at: 10132 HIGHTS BLVD. KENNESAW, GA 30144 (Seal)
(Lender) of the same date and covering the Property described in the Security Instrument and -Borrower

secure Borrower's note (note) to SOUTH AVENUE BANK & TRUST
of Security deed (Security instrument) of the same date given by the undersigned (Borrower) to and is incorporated into and shall be deemed to amend and supplement the Mortgage Deed of Trust
THIS CONDOMINIUM RIDER is made this 30 day of NOVEMBER, 1983

CONDOMINIUM RIDER

931-330242
LAW OFFICE

33730

FHA ASSUMPTION POLICY RIDER

47492

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 day of NOVEMBER 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 date to South Valley State Bank (the "Mortgagee") and covering the property described in the instrument located at:

Unit 10466 (McGuire Avenue), Tract 1336 - FALCON HEIGHTS CONDOMINIUMS STAGE 1, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

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 designees, 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 device or descent) to a purchaser or grantee who does not occupy the property as his or her principal or secondary 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. (Sign original only)

Ervin Edge, Jr.
ERVIN EDGE, JR.

Florence J. Edge
FLORENCE J. EDGE

STATE OF Oregon

COUNTY OF Klamath

I, the undersigned Kristi L. Redd hereby certify this on this 30th day of November 1999, personally appeared before me Ervin Edge, Jr. & Florence J. Edge to me known to be the individual described in and who executed the within instrument, and acknowledged that they signed and sealed the same as their 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.



Kristi L. Redd
Notary Public in
and for the State of Oregon

01/97MTG.FHARIDER

State of Oregon, County of Klamath
Recorded 12/01/99, at 3:40 p.m.
In Vol. M99 Page 47481
Linda Smith,
County Clerk Fee \$ 65.09