

State of Oregon, County of Klamath  
Recorded 02/13/2002 8:31 a m.  
Vol M02, Pg 8660-8666  
Linda Smith, County Clerk  
Fee \$ 5.00 # of Pgs 7

**After Recording Return To:**

First American Loss Mitigation Services, Inc.  
[Company Name]

When Recorded Return To: 834497

First American Title Insurance Co.

3 First American Way

Santa Ana, CA 92707

Attn: Loan Modification Dept.

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

711 High Street

[Street Address]

Des Moines, Iowa 50392

[City, State, Zip]

[Space Above This Line For Recording Data]

Loan No.: 1410022

FHA Case No.: 431-3376376

## SUBORDINATE DEED OF TRUST

THIS SUBORDINATE DEED OF TRUST ("Security Instrument") is effective on December 1st, 2001 .  
The grantor is Jason Dodson, a married man

("Borrower").

The trustee is Amerititle ("Trustee"). The beneficiary is the Secretary of  
Housing and Urban Development and its successors and assigns, whose address is 451 Seventh Street. SW,  
Washington, DC 20410 ("Lender"). Borrower owes Lender the principal sum of three thousand five hundred ninety  
three and 46/100 Dollars (U.S. \$ 3,593.46 ). This debt is evidenced  
by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for the full debt, if not  
paid earlier, due and payable on October 1, 2029 . This Security Instrument secures to Lender: (a) the  
repayment of the debt evidenced by the Note; and all renewals, extensions and modifications of the Note; (b) the  
payment of all other sums, with interest, advanced to protect the security of this 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 Trustee in trust, with power of sale, the following described property  
located in Klamath County, Oregon:

THIS INSTRUMENT FILED FOR RECORD BY  
FIRST AMERICAN TITLE INSURANCE COMPANY AS AN  
ACCOMMODATION ONLY. IT HAS NOT BEEN EXAMINED AS  
TO ITS EXECUTION OR AS TO ITS EFFECT UPON THE TITLE

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THE LAND REFERRED TO IS SITUATED IN THE STATE OF OREGON, COUNTY OF KLAMATH, CITY OF KLAMATH FALLS, AND DESCRIBED AS FOLLOWS:

LOT 34 OF SUMMERS PARK, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

TAX ID NO.: R-3909-010DA-04500

which has the address of 4017 Bristol Avenue, Klamath Falls, Oregon 97603

("Property Address")

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 seised 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.

Borrower and Lender covenant and agree as follows:

**UNIFORM COVENANTS.**

1. **Payment of Principal.** Borrower shall pay when due the principal of the debt evidenced by the Note.
2. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time of payment 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.
3. **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. 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 term of this Security Instrument or the Note without that Borrower's consent.

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4. **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: Department of Housing and Urban Development, Attention: Single Family Notes Branch, 451 Seventh Street, SW, Washington, DC 20410 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.

5. **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.

6. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

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

7. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument. 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 (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 Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action assert the non-existence 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 option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and 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 7, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If the 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 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 and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the 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 7 of the Subordinate Note, 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 or applicable law.

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**8. 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 to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under applicable law.

**9. 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.

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

**11. Bankruptcy Discharge.** If the Borrower, subsequent to September 10, 2001, receives a discharge in a Chapter 7 bankruptcy, and there is no valid reaffirmation agreement of the underlying debt, Lender will not attempt to re-establish any personal liability for the underlying debt.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument.

*Jason Dodson*  
Jason Dodson

\_\_\_\_\_(Seal)  
-Borrower

\_\_\_\_\_(Seal)  
-Borrower

\_\_\_\_\_(Seal)  
-Borrower

\_\_\_\_\_(Seal)  
-Borrower

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[Space Below This Line For Acknowledgment]

State of Oregon

§  
§  
§

County of Klamath

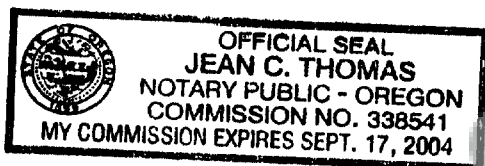
On this 13 day of December, 2001, personally appeared the above named  
Jason Dodson  
and acknowledged the foregoing instrument to be voluntary act and deed.

Before me:

(Official Seal)

Jean C. Thomas  
Notary Public for Oregon

My Commission Expires:

9-17-04

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**EXHIBIT****ERROR AND OMISSIONS / COMPLIANCE AGREEMENT**

In consideration of the Secretary of Housing and Urban Development and its successors and assigns, ("Lender") extending funds ("Loan") in connection with the HUD Partial Claim associated with the property located at 4017 Bristol Avenue, Klamath Falls, Oregon 97603, the undersigned Borrower agrees, upon request of Lender or upon request of persons acting on behalf of Lender, to fully cooperate with Lender to correct any inaccurate terms of provisions of any and all of the documents associated with the HUD Partial Claim transaction. Borrower agrees to execute such documents or take such action as Lender reasonably may deem necessary or desirable to remedy any inaccuracy or mistake, including without limitation, executing such documents or taking such action as will enable Lender to sell, convey, seek guaranty or market the Loan to any entity, including without limitation, the Department of Housing and Urban Development.

Borrower further agrees to comply with any said request within a reasonable period of time as specified by Lender. Failure to comply shall constitute default under the Subordinate Note and Subordinate Security Instrument evidencing the Loan and Lender may pursue its available remedies.

Dated effective this 13 day of December, 2001.

Jason Dodson  
Jason Dodson

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

State of Oregon §  
County of Klamath §

The foregoing instrument was acknowledged before me on 12-13-2001, [date],  
by Jason Dodson

[name of person acknowledged].



Jean C Thomas  
Notary Public, State of Oregon  
My Commission Expires: 9-17-04


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**EXHIBIT****NOTICE OF NO ORAL AGREEMENTS**

**THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.**

**THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.**

**Receipt of Notice:** The undersigned hereby represents and warrants that I/we have each received and read a copy of this Notice on or before the execution of the "Loan Agreement." "Loan Agreement" means one or more promises, promissory notes, agreements, undertakings, security agreements, deeds of trust or other documents, or commitments, or any combination of those actions or documents, pursuant to which a financial institution loans or delays repayment of or agrees to loan or delay repayment of money, goods, or any other thing of value or to otherwise extend credit or make a financial accommodation.

  
Jason Dodson

-Borrower

-Borrower

-Borrower

-Borrower