

**2015-001902**

**Klamath County, Oregon**

**03/04/2015 09:18:24 AM**

**Fee: \$62.00**

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Please record/return to:

Cenlar FSB

425 Phillips Blvd., Ewing, N.J. 08618

Prepared by: Jaclyn Maley

**FHA #431-5310852/702**

**Loan #0036533842**

**MIN No. 100034200811595283**

**SIS No. (888) 679-MERS**

## **SUBORDINATE MORTGAGE**

THIS SUBORDINATE MORTGAGE ("Security Instrument") is given on **November 5th, 2014**. The Mortgagor is **Sandra M. Perry** ("Borrower"). This Security Instrument is given to the Secretary of Housing and Urban Development, and whose address is:

**OFFICE OF THE HOUSING FHA-COMPTROLLER, DIRECTOR OF MORTGAGE  
INSURANCE ACCOUNTING & SERVICING  
451 7TH ST SW WASHINGTON, DC 20410.**

Borrower owes Lender the principal sum of:

**Twenty-Three Thousand Ninety-One Dollars and 56/100 (\$23,091.56).**

This debt is evidenced by Borrower's Note dated the same date as this ("Security Instrument"), which provides for the full debt, if not paid earlier, due and payable on **December 1, 2044**. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, 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 Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Agreement and the Note. This references the original Mortgage in the amount **\$145,174.00** given to **Mortgage Electronic Registration Systems, Inc. ("MERS")** as Nominee for **Prospect Mortgage, LLC** dated **September 9, 2011**, and recorded on **September 13, 2011** as Document No. **2011-010349** in the Office of the **Klamath County Recorder, Oregon**. For this purpose, Borrower does hereby mortgage, warrant, grant and convey to the Lender, with power of sale the following described property located in the County of: **Klamath** State of: **Oregon**.

**See Exhibit "A" Attached Hereto and Made a Part Hereof.**

Which has the address of: **23220 Bliss Road, Sprague River, Oregon 97639**

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 mortgage, 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 or 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 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.
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 10410, 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.** If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under the 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.

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:



 (Seal)  
Sandra M. Perry -Borrower

\_\_\_\_\_

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

\_\_\_\_\_ [Space Below This Line for Acknowledgement] \_\_\_\_\_

Loan Modification  
**Sandra M. Perry**  
Loan #0036533842

**STATE OF OREGON**

COUNTY OF Klamath SS:

This instrument was acknowledged to me on November 14, 2014 by **Sandra M. Perry**.

In witness whereof, hereunto set my hand and official seal.

  
\_\_\_\_\_  
Notary Public

Printed Name: Rebekah Morehouse

My Commission Expires:

September 23, 2017

SEAL/STAMP



Loan Modification  
Sandra M. Perry  
Loan #0036533842

EXHIBIT A

A parcel of land located in Section 22, Township 36 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, being a portion of Lot 7, Block 2 of TRACT 1114, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon; being more particularly described as follows:

Beginning at a point on the Easterly line of Lot 7, Block 2, TRACT 1114, from which the Northeast corner of said Lot 7 bears North 25°10'50" East 243.10 feet distant; thence West 961.54 feet to a point on the West line of said Lot 7; thence South 00°35'53" West along the lot line 391.09 feet to the Southeast corner of Lot 5; thence continuing South 00°35'53" West 393.70 feet to a point which lies 60.00 feet North of the South line of said Lot 7 and thence East 600.78 feet to the Easterly line of said Lot 7 and the Westerly right of way line of Squaw Flat Road; thence North 25°10'50" East 867.14 feet to the point of beginning.