

23941

MORTGAGE

Vol. 768 PAGE 5572

THIS INDENTURE entered this 12th day of June, 19 68, by and betweenRICHARD H. BUNCH and GRETA J. BUNCH, husband and wife, whose postoffice address is P.O. Box 513 State Line Road, City of Malin, State of Oregon,
hereinafter designated, whether singular or plural, for the purpose of brevity as MORTGAGOR, andCAPP-HOMES, INC., a Delaware corporation, whose correct post office address
is 3355 Hiawatha Avenue South, City of Minneapolis, State of Minnesota,
hereinafter designated for the purpose of brevity as MORTGAGEE.

WITNESSETH: That whereas the Mortgagor has delivered to the Mortgagee the Mortgagor's note in the amount of \$ 12,744.00, being an indebtedness due and owing to the Mortgagee for certain building materials sold by it to Mortgagor, and WHEREAS the Mortgagor, in the application for credit to the Mortgagee agreed to give the Mortgagee a mortgage on the real property on which said building materials are to be used to secure the Mortgagor's debt to the Mortgagee.

NOW, THEREFORE, in consideration of the indebtedness due and owing to the Mortgagee from the Mortgagor and other valuable consideration in hand paid by the Mortgagee to the Mortgagor, receipt whereof is hereby acknowledged, the Mortgagor does hereby grant, bargain, sell and convey unto the said Mortgagee, and its successors and assigns forever, all the tracts or parcels of land lying and being in the County of Klamath, State of Oregon, described as follows, to-wit:

Lots 3, 4, and 5, Block D, Malin Railroad Addition according to the
official plat thereof on file in the records of Klamath County, Oregon

TO HAVE AND TO HOLD THE SAME, together with the hereditaments and appurtenances thereto belonging to the said Mortgagee, and successors and assigns, forever. And the said Mortgagor, for said Mortgagor and Mortgagor's heirs, administrators, successors, and assigns does covenant with the said Mortgagee, and its successors and assigns, as follows: That the Mortgagor is lawfully seized of said premises and has good right to sell and convey the same; that the same are free from all encumbrances; the Mortgagor warrants the title to the premises and further warrants that the Mortgagee and its successors and assigns shall quietly enjoy and possess the same; and that the Mortgagor will warrant and defend the title to the same against all lawful claims not hereinbefore specifically excepted.

PROVIDED NEVERTHELESS, that if the Mortgagor shall pay to the Mortgagee, or its successors or assigns at 3355 Hiawatha Avenue South, City of Minneapolis, State of Minnesota, the sum of \$ 12,744.00 according to the terms of one principal promissory note due and payable as follows, to-wit:

One Hundred Twenty (120) consecutive monthly installments
as follows:

The first 60 consecutive monthly installments of \$ 156.00 each, or more, on the 15th day of each and every month, commencing with the 15th day of August, 1968; the second 59 consecutive monthly installments of \$ 124.00 each, or more, on the 15th day of each and every month, commencing with the 15th day of August, 1973, and every month thereafter; the entire balance due hereunder shall become due and payable on the 120th installment. The unpaid balance due hereunder shall bear interest at the rate of six per cent per annum; said interest to be computed monthly shall first be deducted from the said monthly payments and the balance of each monthly payment credited as principal.

together with all sums advanced in protecting the lien of this mortgage, in payment of taxes on said premises, insurance premiums covering buildings thereon, principal or interest on any prior liens, expenses and attorneys' fees herein provided for, and sums advanced for any other purpose authorized herein, and shall keep and perform all of the covenants and agreements herein contained, then this deed to be null and void, and to be released at the Mortgagor's expense.

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AND THE MORTGAGOR, for Mortgagee's heirs, administrators, successors, and assigns, does hereby covenant and agree with the Mortgagee and its successors and assigns, to pay the principal sum of money and interest as above specified; to pay all taxes and assessments now due or that may hereafter become due upon said real estate before penalty attaches thereto; to keep any buildings on said premises insured by companies approved by the Mortgagee against loss by extended fire and windstorm for at least the principal sum due on this mortgage, and to deliver to said Mortgagee the policies for such insurance with mortgage clause attached in favor of said Mortgagee, or its successors or assigns; to pay, when due, both principal and interest of all prior liens or encumbrances, if any, above mentioned, and to keep said premises free and clear of all other prior liens or encumbrances; to permit no waste on said premises and to keep said premises in good repair; to complete forthwith any improvements which may hereafter be under course of construction thereon, and to pay any other expenses and attorneys' fees incurred by said Mortgagee, or its successors or assigns, by reason of litigation with any third party for the protection of the lien of this mortgage.

THAT in the event the undersigned shall convey or otherwise transfer, except for leases and except for conveyances and transfers between themselves and their conduits, all or any part of their interest in all or any part of the premises described in the mortgage securing said indebtedness whereby the title becomes vested in any other person, without obtaining in each instance, the written approval of the Mortgagee hereof, or in the event of any default in the payment of any installment or any part thereof when due hereunder, or in the performance of, or compliance with, any of the covenants or conditions of this mortgage, then in any such case the entire unpaid principal of this mortgage, with all accrued interest thereon, if any, shall, at the option of the Mortgagee hereof, become immediately due and payable without notice. Failure to exercise this option, however often, shall not constitute a waiver of the right to exercise it thereafter.

THAT as security for said indebtedness in addition to the foregoing, the Mortgagee does hereby encumber as additional collateral, and does hereby grant, bargain, sell and convey to the Mortgagee and its successors and assigns, together with the real estate herein, all the machinery, apparatus, equipment, and personal property of every kind and nature whatsoever, now or hereafter located in or upon said real estate, or any part thereof, and used in connection with any present or future use of said real estate, including all heating, lighting, laundry, incinerating and power equipment, pipes, pumps, tanks, motors, conduits, plumbing, air-cooling and air-conditioning apparatus, all carpeting attached to the floor, shades, awnings, screens, storm doors and windows, wall beds, attached cabinets, partitions, ducts and compressors. It is understood and agreed that all of said property is part and parcel of said real estate and appropriated to the use of said real estate, and whether affixed or annexed or not, shall for the purpose of this mortgage be deemed conclusively to be real estate and conveyed hereby.

THAT no building or other property now or hereafter covered by the lien of this Mortgage shall be removed or demolished without the prior written consent of the Mortgagee, except that the Mortgagee shall have the right, without such consent, to remove and dispose of, free from the lien of this Mortgage, such equipment as from time to time may become worn out or obsolete, provided that simultaneously with or prior to such removal any such equipment shall be replaced with other equipment of a value at least equal to that of the replaced equipment and free from any title retention or security agreement or other encumbrance, and by such removal and replacement the Mortgagee shall be deemed to have subjected such equipment to the lien of this Mortgage.

THAT the Mortgagee and any persons authorized by the Mortgagee shall have the right to enter and inspect the premises at all reasonable times; and that if, at any time after default by the Mortgagee in the performance of any of the terms, covenants or provisions of this Mortgage or the Note, the maintenance of the premises shall be determined by the Mortgagee to be unsatisfactory, the Mortgagee shall employ, for the duration of such default, as managing agent of the premises, any person from time to time designated by the Mortgagee.

THAT the rights of the Mortgagee arising under the clauses and covenants contained in this Mortgage shall be separate, distinct and cumulative and none of them shall be in exclusion of the others; that no act of the Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision, anything herein or otherwise to the contrary notwithstanding.

THAT the Mortgagee shall have the right from time to time to enforce any legal or equitable remedy against the Mortgagee and to sue for any sums whether interest, damages for failure to pay principal or any installment thereof, taxes, or any other sums required to be paid under the terms of this Mortgage, as the same become due, without regard to whether or not the principal sum secured or any other sums secured by the note and mortgage shall be due and without prejudice to the right of the Mortgagee thereafter to enforce any appropriate remedy against the Mortgagee including an action of foreclosure, or any other action, for a default or defaults by the Mortgagee existing at the time such earlier action was commenced.

THAT in case of failure on the part of the Mortgagee to make the payments due herein or to pay said taxes and assessments, prior liens or encumbrances, expenses and attorneys' fees as above specified, or to insure said buildings and deliver the policies as aforesaid, the Mortgagee, or its successors or assigns, may pay such taxes, assessments, prior liens, expenses and attorneys' fees and interest thereon, or purchase such insurance, and the sums so paid shall bear interest at the highest rate permitted by law from the date of such payment and shall be impressed as an additional lien upon said premises and be immediately due and payable from the Mortgagee, and Mortgagee's heirs, administrators, successors, or assigns to said Mortgagee, or its successors or assigns: that this mortgage shall, from date thereof, secure the repayment of such advances.

THAT in case of default in any of the foregoing covenants, the Mortgagor confers upon the Mortgagee the absolute option of declaring the unpaid balance of said principal note with interest accrued thereon, together with all sums advanced hereunder, immediately due and payable without notice, and hereby authorizes and empowers said Mortgagee and its successors and assigns the power to foreclose this mortgage by judicial proceedings or to sell said premises at public auction and convey the same to the purchaser in fee simple in accordance with the Statutes, and out of the moneys arising from such sale to retain all sums secured thereby, with interest and all legal costs and charges of such foreclosure, including the maximum attorney fees permitted by law, which costs, charges and fees the Mortgagor herein agrees to pay.

THAT notwithstanding anything to the contrary, the Mortgagor shall have the absolute right at any time to prepay any part or all of said indebtedness prior to the due date, without penalty.

THAT the Mortgagor and any endorsers hereby fully and absolutely waive and release all applicable exemption rights of homestead of the property involved herein set forth and any uses and purposes granted to the owner of a homestead under and by virtue of the State Constitution, and the Homestead Exemption Laws of said state.

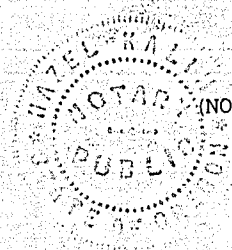
IN TESTIMONY WHEREOF, the foregoing instrument has been executed by the Mortgagor the date and year first above written.

Ernest W. Millen, Jr. As Witness Only
Mary H. Millen As Witness Only
Richard H. Bunch Mortgagor (SEAL)
Greta J. Bunch Mortgagor (SEAL)

Mortgagor (SEAL)

STATE OF Oregon }
COUNTY OF Klamath } SS.

On this 12th day of June, 19 68, before me, a Notary Public within and for said County, personally appeared RICHARD H. BUNCH and GRETA J. BUNCH
husband and wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed; for the uses and purposes therein set forth;



Hazel Kalina
HAZEL KALINA
Notary Public, Klamath County
State of Oregon
My Commission expires May 18, 1970

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Samuel Saliterman 12:50
21 day of June A.D. 19 68 at o'clock PM., and
fully recorded in Vol. M-68, of mortgages on Page 5572
DOROTHY ROGERS, County Clerk

Fee 4.50

Dorothy Rogers