

# MORTGAGE

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VOL 172 PAGE

KNOW ALL MEN BY THESE PRESENTS, That **Charles A. Adams and Diana L. Adams,**  
husband and wife,

hereinafter called the mortgagor, in consideration of the sum of  
Dollars \$ 14,050.00

Fourteen Thousand Fifty and No/100  
the receipt whereof is hereby acknowledged, paid to the mortgagor by

**OREGON MUTUAL SAVINGS BANK**

a corporation organized and existing under the laws of  
hereinafter called the mortgagee, has granted, bargained, sold

the State of Oregon

and conveyed and does by these presents grant, bargain, sell and convey unto the mortgagee all of the following-de-  
scribed real property lying and being in the  
in the County of **Klamath** and State of Oregon, to wit:

The Northerly 100 feet of the Easterly 100 feet of Lot 6, VICTORY ACRES,  
Klamath County, Oregon;

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including all buildings and improvements thereon (or that may hereafter be erected thereon); together with the here-  
ditaments and appurtenances and all other rights thereunto belonging, or in anywise now or hereafter appertaining,  
and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all plumbing,  
heating, and lighting fixtures and equipment now or hereafter attached to or used in connection with said premises.

TO HAVE AND TO HOLD said described premises with said appurtenances unto the mortgagee, forever.

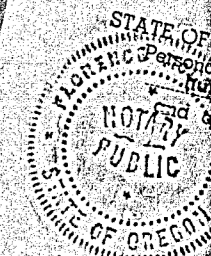
THIS CONVEYANCE is intended as a mortgage to secure the performance of the obligations and covenants  
herein required by the mortgagor to be kept and performed, and to secure the payment of a certain promissory note  
of even date herewith, the terms of which are incorporated herein by reference, executed by the mortgagor to the  
mortgagee; and providing for the payment of the aforesaid principal sum of **Fourteen Thousand Fifty and**  
**No/100** Dollars \$ 14,050.00, with interest from date at the rate of  
**Eight and one-half** per centum (  $8\frac{1}{2}\%$  ) per annum on the unpaid balance until paid,  
the said principal and interest to be payable at the office of **OREGON MUTUAL SAVINGS BANK**

in **Eugene, Oregon**  
or at such other place as the holder of the note may designate in writing, in monthly installments of **Dollars \$ 108.04**  
**One Hundred Eight and 04/100** Dollars \$ 108.04  
commencing on the first day of **June**, 1970, and on the first day of each month thereafter until  
the principal and interest are fully paid, except that the final payment of principal and interest, if not sooner paid,  
shall be due and payable on the first day of **May**

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Klamath Falls, Ore

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The mortgagor hereby covenants:

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1. That he is seized in fee simple of said premises and every part thereof; that there are no liens or encumbrances against or upon the same and none superior to this mortgage will be created or suffered by the mortgagor during the life of this mortgage; that he shall forever warrant and defend said premises unto the mortgagee against the lawful claims of all persons whomsoever, and that no portion of said premises shall be used for any unlawful purposes.

2. That he will repay to mortgagee, immediately and without demand, all funds hereafter advanced by mortgagee pursuant to any covenant or agreement herein contained or for any purpose, with interest thereon from date of advance until repaid, at the rate set forth in the note secured hereby, and will pay promptly when due and payable all indebtedness evidenced by said note and if default be made in the payment of any installment of principal or interest or in performance of any of the covenants, stipulations, or agreements herein contained, the mortgagee, at its option, and without notice, shall have the right to declare the entire sum hereby secured due and to foreclose this mortgage in the manner provided by law, whether said note is due by lapse of time or not; and if any action or suit is brought for the foreclosure of this mortgage or the collection of said note, the mortgagor will pay such attorney's fees as the court may adjudge reasonable in such suit or action. Privilege is reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity; provided, however, that written notice of an intention to exercise such privilege is given at least thirty (30) days prior to prepayment; and provided, further, that in the event the debt is paid in full prior to maturity and at that time it is insured under the provisions of the National Housing Act, he will pay to the mortgagee an adjusted premium charge of one per centum (1%) of the original principal amount thereof, except that in no event shall the adjusted premium exceed the aggregate amount of premium charges which would have been payable if the mortgage had continued to be insured until maturity; such payment to be applied by the mortgagee upon its obligation to the Federal Housing Commissioner on account of mortgage insurance.

3. That, together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, the mortgagor will pay to the mortgagee until the said note is fully paid, the following sums:

(a) An amount sufficient to provide the holder hereof with funds to pay the next mortgage insurance premium if this instrument and the note secured hereby are insured, or a monthly charge (in lieu of a mortgage insurance premium) if they are held by the Federal Housing Commissioner, as follows:

(I) If and so long as said note of even date and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the holder one (1) month prior to its due date the annual mortgage insurance premium, in order to provide such holder with funds to pay such premium to the Federal Housing Commissioner pursuant to the National Housing Act, as amended, and applicable Regulations thereunder; or

(II) If and so long as said note of even date and this instrument are held by the Federal Housing Commissioner, a monthly charge (in lieu of a mortgage insurance premium) which shall be in an amount equal to one-twelfth (1/12) of one-half (1/2) per centum of the average outstanding balance due on the note computed without taking into account delinquencies or prepayments;

(b) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus taxes and assessments next due on the mortgaged property (all as estimated by the mortgagee) less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes, and assessments will become delinquent, such sums to be held by mortgagee in trust to pay said ground rents, premiums, taxes, and special assessments; and

(c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid by the mortgagor each month in a single payment to be applied by the mortgagee to the following items in the order set forth:

(I) premium charges under the contract of insurance with the Federal Housing Commissioner, or monthly charge (in lieu of a mortgage insurance premium), as the case may be;

(II) ground rents, if any, taxes, assessments, fire and other hazard insurance premiums;

(III) interest on the note secured hereby; and

(IV) amortization of the principal of said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage. The mortgagee may collect a "late charge" not to exceed two cents (2¢) for each dollar (\$1) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments.

4. If the total of the payments made by the mortgagor under (b) of paragraph 3 preceding shall exceed the amount of payments actually made by the mortgagee for ground rents, taxes, and assessments or insurance premiums, as the case may be, such excess shall be credited by the mortgagee on subsequent payments to be made by the mortgagor. If, however, the monthly payments made by the mortgagor under (b) of paragraph 3 preceding shall not be sufficient to pay ground rents, taxes, and assessments or insurance premiums, as the case may be, when the same shall become due and payable, then the mortgagor shall pay to the mortgagee any amount necessary to make up the deficiency, on or before the date when payments of such ground rents, taxes, assessments or insurance premiums shall be due. If the mortgagor fails to pay to the mortgagee any amount necessary to make up the deficiency within the time specified, the mortgagee may, at its option, pay the same, and the amount so paid, with interest at the same rate set forth in the note secured hereby, shall be added to and become a part of the indebtedness secured by this mortgage, without waiver of any rights arising from breach of any of the covenants hereof. If at any time the mortgagor shall tender to the mortgagee, in accordance with the provisions of the note secured hereby, full payment of the entire indebtedness represented thereby, the mortgagee shall, in computing the amount of such indebtedness, credit to the account of the mortgagor all payments made under the provisions of (a) of paragraph 3 hereof, which the mortgagee has not become obligated to pay to the Federal Housing Commissioner, and any balance remaining in the funds accumulated under

the provisions of (b) of paragraph 3 hereof. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby, or if the mortgagee acquires the property otherwise after default, the mortgagee shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under (b) of paragraph 3 preceding, as a credit against the amount of principal then remaining unpaid under such note, and shall properly adjust any payments which shall have been made under (a) of paragraph 3.

5. That he will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, or penalties for which provision has not been made hereinbefore, and in default thereof the mortgagee may pay the

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WAIVER of any rights arising from breach of any of the covenants hereof. If at any time the mortgagor shall tender to the mortgagee, in accordance with the provisions of the note secured hereby, full payment of the entire indebtedness represented thereby, the mortgagee shall, in computing the amount of such indebtedness, credit to the account of the mortgagor all payments made under the provisions of (a) of paragraph 3 hereof, which the mortgagee has not become obligated to pay to the Federal Housing Commissioner, and any balance remaining in the funds accumulated under

the provisions of (b) of paragraph 3 hereof. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby, or if the mortgagee acquires the property otherwise after default, the mortgagee shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under (b) of paragraph 3 preceding, as a credit against the amount of principal then remaining unpaid under such note, and shall properly adjust any payments which shall have been made under (a) of paragraph 3.

5. That he will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions, for which provision has not been made hereinbefore, and in default thereof the mortgagee may pay the same.

6. That he will not make any alteration, repair, remodeling, or addition to the above-described real property, or remove any building or buildings now or hereafter upon said property, without first obtaining the written consent of the mortgagee.

7. That he will keep the improvements now existing or hereafter erected on the mortgaged property, insured as may be required from time to time by the mortgagee against loss by fire and other hazards, casualties, and contingencies in such amounts and for such periods as may be required by the mortgagee, and will pay promptly, when due, any premiums on such insurance for payment of which provision has not been made hereinbefore. All insurance shall be carried in companies approved by mortgagee and the policies and renewals thereof shall be held by mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the mortgagee. In event of loss he will give immediate notice by mail to mortgagee, and mortgagee may make proof of loss if not made promptly by mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to mortgagee instead of to mortgagor and mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title, and interest of the mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

8. That if the mortgagee is made or becomes a party to any suit or action, by reason of this mortgage or the indebtedness hereby secured, the mortgagor will pay all expenses incurred by the mortgagee therein, including a reasonable attorney's fee.

9. That in any suit to foreclose this mortgage, the mortgagee, without notice and without regard to the value of the mortgaged premises or the adequacy of any security for the debt, shall be entitled to the appointment of a receiver of the rents, issues and profits of said premises, with authority to such receiver to collect and receive the same and to take possession, management and control of said premises during the pendency of such foreclosure proceedings or until payment of the debt hereby secured; and any net rents, issues and profits so collected shall be applied upon the debt hereby secured.

10. That if the mortgagor shall assign or attempt to assign the rents, issues, or profits or any part thereof of the premises mortgaged hereby without the written consent of the mortgagee, or in case of the actual or threatened demolition or removal of any building on or to be erected upon said premises, then, at the option of the mortgagee, the debt hereby secured shall immediately become due.

11. The mortgagor covenants and agrees that so long as this mortgage and the said note secured hereby are insured under the provisions of the National Housing Act, he will not execute or file for record any instrument which imposes a restriction upon the sale or occupancy of the mortgaged property on the basis of race, color, or creed. Upon any violation of this undertaking, the mortgagee may, at its option, declare the unpaid balance of the debt secured hereby immediately due and payable.

12. The mortgagor further agrees that should this mortgage and the note secured hereby not be eligible for insurance under the National Housing Act within 29 days from the date hereof (written statement of any officer of the Federal Housing Administration or authorized agent of the Federal Housing Commissioner dated subsequent to the 29 day time from the date of this mortgage, declining to insure said note and this mortgage, being deemed conclusive proof of such ineligibility), the mortgagee or the holder of the note may, at its option, declare all sums secured hereby immediately due and payable.

13. The mortgagor covenants and agrees that he will keep all buildings and structures now on said premises or hereafter placed thereon in good repair and in good condition as they now are, complete all buildings or other structures being or about to be built thereon within six months from the date hereof, and that he will permit no waste upon the mortgaged premises.

NOW, THEREFORE, if the mortgagor shall well and truly perform each and all of the covenants and agreements herein contained, this conveyance shall be void and of no effect; otherwise the same shall remain in full force and effect and may be foreclosed in the manner provided by law.

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

IN WITNESS WHEREOF, the mortgagor(s) have hereunto set their hand(s) and seal(s) this 30th day of April, 1970.

Executed in the presence of

x Charles A. Adams [SEAL]  
Charles A. Adams

x Diana L. Adams [SEAL]  
Diana L. Adams

[SEAL]



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J. GANONG

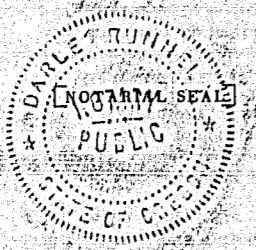
From the Office of  
J. GANONG, GANONG  
First Federal Building  
Klamath Falls, Ore

STATE OF OREGON )  
 ) ss:  
COUNTY OF KLAMATH )

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On this 30th day of April, 1970, personally appeared before me, a Notary Public within and for said county and State, the within-named Charles A. Adams and Diana L. Adams, husband and wife, personally known to me to be the individuals described in and who executed the within instrument and they acknowledged to me that they executed the same freely and voluntarily for the uses and purposes therein mentioned.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on this, the day and year first in this, my certificate, written.



Charles A. Adams  
Notary Public for the State of Oregon  
My commission expires 9/23/73

STATE OF OREGON

LOAN NO.

Mortgage

Charles A. Adams and Diana L. Adams, husband and wife

TO

OREGON MUTUAL SAVINGS BANK  
an Oregon corporation

STATE OF OREGON )  
 ) ss:  
COUNTY OF KLAMATH )

Filed for record at request of Mortgagee

on the 5th day of May

19 70 at 1:13 minutes past

2:00 o'clock

P. M. and recorded in Vol. M-70 of

Mortgages, page 3532 Records of said

county. FEE \$6.00

WM D. MILNE

County Recorder

Charles A. Adams  
Deputy

Return to OREGON MUTUAL SAVINGS BANK

234 S.W. Broadway  
Portland, Oregon 97205

206471-P

FHA-Wash., D.C.

This form may be used as the security instrument in connection with mortgages to be insured under Sections 203 and 222, and in connection with "individual mortgages" to be insured under Sections 213, 220, 221, 233, 809 and 810 of the National Housing Act.

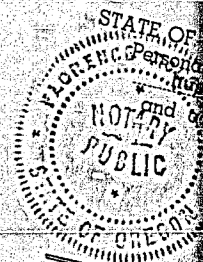
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