MORTGAGE
(General)

The Mortgagor S   EDWARD H. PIETZ AND GLORIA PIETZ, husband and wife; TOD E. McCLASKEY AND MAXINE McCLASKEY, husband and wife; E. D. VARELDZIS AND GEORGIA VARELDZIS, husband and wife; and HARRY BRUSS, an unmarried man

herein called "Mortgagor" does hereby mortgage to PACIFIC FIRST FEDERAL SAVINGS and LOAN ASSOCIATION, a Corporation, herein called "Mortgagee" the real property hereinafter described and all interest or estate therein that the mortgagor may hereafter acquire, together with all buildings, improvements, fixtures, or appurtenances, including all building materials and equipment now or hereafter delivered to said premises and intended to be erected thereon or placed therein, including all apparatus, equipment, fixtures or articles, whether in single units or centrally controlled units to supply heat, gas, air conditioning, water, light, power, refrigeration, ventilation, screens, window shades, storm doors and windows, floor coverings, screen doors, in-a-door beds, awnings, stoves and water heaters (all of which are intended to be and are hereby declared to be a part of said real estate whether physically attached thereto or not), together with the rents, issues, and profits of said premises.

This Mortgage is given to secure the payment of all loans and advances, if any, as may be made to the mortgagor or others having an interest in property described herein, as may be evidenced by a note or notes.

TO PROTECT THE SECURITY of this mortgage the mortgagor agrees that:
(1) All buildings now or hereafter erected on said mortgaged property shall be continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this mortgage. (2) All policies shall be held by the mortgagee, and be in such companies as the mortgagee may approve and have loss payable first to the mortgagee as its interest may appear and then to the mortgagor. (3) The mortgagor appoints the mortgagee as his agent to settle and adjust any loss under insurance. (4) In the event of foreclosure all rights of the mortgagor in all policies then in force shall pass to the mortgagee. (5) If this is a construction loan, he will complete all construction financed hereby within 9 months from date of this instrument. (6) The buildings now on or hereafter erected on said premises shall be kept in good repair, not altered, extended, removed or demolished without written consent of the mortgagee. (7) He will pay when due any lien which may be adjudged to be prior to the lien of this mortgage or which becomes a prior lien by operation of law. (8) He will pay all insurance premiums, taxes, assessments and other public charges levied, assessed or charged against the within described property. (9) He will pay to the mortgagee on the dates installments of principal and interest are payable, an amount estimated by the mortgagee to be equal to 1/12th of the yearly charges above referred to, next to become due. (10) He understands that the loan secured by this mortgage is personal to him, and that his personal responsibility and occupancy and/or control of the real property encumbered by said mortgage is a material inducement to lender to make said loan. If title to said property shall pass from him by deed or otherwise, or said property shall be sold on contract, or if the property shall be vacated by him, such change in title or occupancy shall be deemed to increase the risk of lender and lender or other holder may declare the entire unpaid balance immediately due and payable or, at its sole option, it may consent to said change in title or occupancy and may increase the interest rate of said loan not to exceed two per cent per annum to compensate for such increased risk provided, however, that in no event shall the interest rate exceed the rate permitted by law. Such increase in interest shall entitle the holder to increase monthly payments on the loan so as to retire the obligation within the original stipulated time. As a further condition to the holder giving its consent to change in title to the property, it may require such information concerning the purchaser as it would ordinarily require of a new loan applicant and shall be paid a service charge as fixed and determined by holder, but in no event in excess of one percent of the amount of the original note or notes. The service charge may at the option of the holder be added to the principal balance of indebtedness. (11) In case of default in the payment of any installment of said debt or a breach of any covenant herein or contained in the application for loan executed by the mortgagor, the entire debt hereby secured shall, at the mortgagee's option, become immediately due without notice and this mortgage may be foreclosed. (12) Upon default by mortgagor hereunder mortgagee may at any time, without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof and in its own name sue for or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby. (13) The entering upon and taking possession of said property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensations or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. (14) He will pay the cost of evidencing title, costs, disbursements and attorney's fees actually incurred in any suit which the mortgagee defends or prosecutes to protect the lien hereof or to foreclose this mortgage, which sums shall be secured hereby. (15) He consents to a deficiency judgment for any part of the debt hereby secured which shall not be paid by the sale of said property. (16) Each of the covenants and agreements herein shall be binding upon all successors in interest of each of the mortgagors, and shall inure to the benefit of any successor in interest of the mortgagee.

Description of mortgaged property:

Beginning at a 1/2 inch iron pin on the South line of the relocated right of way of the Klamath Falls-Lakeview Highway (South Sixth Street) which bears South 80°45' West a distance of 290.3 feet and South 0°06'30" West a distance of 11.82 feet from the Northeast corner of the NW 1/4 SE 1/4 of Section 3 Township 39 South, Range 9 E.W.M.; said iron pin also being the Northwest corner of parcel of land conveyed to the United States National Bank of Portland by deed recorded in Vol. 293, page 435, Deed records of Klamath County, Oregon; thence North 89°58'30" West along said re-located right of way line, a distance of 100.0 feet to an iron pin and the true point of beginning of this description; thence South 0°06'30" West parallel with the West line of said United States National Bank parcel a distance of 150.0 feet to an iron pin; thence South 89°58'30" East parallel to the South line of said re-located highway right of way a distance of 100.0 feet to an iron pin on the West line of said United States National Bank parcel; thence South 0°06'30" West along said West line a distance of 30.0 feet to a 5/8 inch iron

2906

Original debt secured hereby is evidenced by a note or notes of even date herewith in the sum of $ 950,000.00
Payable on or before   April 1, 1992

Dated at   Portland, Oregon   this 10th day of   March , 19 72

Edward H. Pietz   Gloria Pietz

Tod E. McClaskey   Maxine McClaskey

E. D. Vareldzis   Georgia Vareldzis

Harry Bruss

MORTGAGE

Edward H. Pietz, et ux
Tod E. McClaskey, et ux
E. D. Vareldzis, et ux
Harry Bruss, an unmarried man

Mortgagor To

Pacific First Federal Savings
and Loan Association, Mortgagee

STATE OF OREGON,}
County of Klamath } ss.

Filed for record at request of:
Klamath County Title Company
on this 17 day of March   A.D. 19 72
at 2:20   o'clock   P. M. and duly
recorded in Vol.   M72   of Mortgages
Page   2905

WM. D. MILNE, County Clerk
By _____ Deputy

Fee $6.00

2907

Mail To
Pacific First Federal Savings
and Loan Association

801 S. W. 6th AVE. PORTLAND, ORE. 97204

INDIVIDUAL ACKNOWLEDGEMENT

State of   Oregon
} ss.
County of   Multnomah

☐ On this 13th day of   March   19 72, personally appeared before me XXXXXXXXXXXX Gloria Pietz, XXXXXXXXXXXX Maxine McClaskey, XXXXXXXXXXXX, Georgia Vareldzis & Harry Bruss to me known to be the individual(s) described in, and who executed, the within and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned. IN TESTIMONY THEREOF, I have hereunto set my hand and official seal the day of this instrument first above written.

Notary Public for the State of   Oregon

My Commission Expires   3/17/72

Residing at   Portland

STATE OF OREGON,
} ss.
County of   Multnomah

FORM NO. 23 — ACKNOWLEDGMENT
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

BE IT REMEMBERED, That on this 10th day of   March   , 19 72, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named   Edward H. Pietz and Tod E. Mc Claskey

known to me to be the identical individual..... described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.
IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Notary Public for Oregon.
My Commission expires   3/17/72

STATE OF OREGON,
} ss.
County of   Multnomah

FORM NO. 23 — ACKNOWLEDGMENT
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

BE IT REMEMBERED, That on this 15th day of   March   , 19 72, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named   E. D. Vareldzis

known to me to be the identical individual..... described in and who executed the within instrument and acknowledged to me that..... executed the same freely and voluntarily.
IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Notary Public for Oregon.
My Commission expires   3/17/72

ASSIGNMENT OF LEASES AND RENTS

Edward H. Pietz and Gloria Pietz, husband and wife, To
and Maxine McClaskey, husband and wife, E. D. Varelc i:
FOR VALUE RECEIVED by Vareldzis, husband and wife, and Harry Bruss, an unmar:
of Portland, Oregon , hereinafter design
from PACIFIC FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION a corporation, hereinafter designated
Assignor hereby assigns to the Assignee the lessor interest under any lease or rental agreement now existing or hereaf
the property hereinafter described, or any part thereof, or any building or buildings on any part thereof, with th, fu
and equipment used in connection therewith, or any part thereof, now or hereafter to be located there n, and
monies now due or hereafter to become due under express leases or agreements now existing or hereafter made, f
use, occupancy or enjoyment of said property or any part thereof or any such building or buildings thereon.

The Assignor agrees to deliver to the Assignee on demand their executed copies of any and all such leases or rental agreem

This assignment is made as additional security for the payment or performance of each and every obligation con
certain real mortgage or deed of trust dated March 10
herein as mortgagor or grantor and running in favor of the Assignee as mortgagee or benefic
of $950,000.00 and recorded on the 17th day of Mar
the County of Klamath , Oregon and covering the real prop

The Assignor reserves the right, prior to any default in the payment or performance
rents as they become due and payable but not otherwise. Upon any such defaul
regard to the adequacy of the security for the obligation secured hereby, go u
personal or any part thereof, and the Assignor shall peaceably surrender such poss
lease or operate all or any part of said property, and may sue for or otherwise.
thereof, and apply the same, less all reasonable costs and expenses of such ren
attorney's fees on any items of indebtedness secured hereby or on the perfor
proportion as the Assignee, in its uncontrolled discretion may determine. No a
cure or waive any such default or invalidate any act done by reason of such defa
otherwise given for such default.

It is further understood that this assignment shall not operate to place resp
premises upon the Assignee, nor the carrying out of any of the terms and cond
sole responsibility of the Assignor; nor shall it operate to make the Assignee r
the premises, or for the management, upkeep, repair or control of said pren
employee, or stranger.

The real property herein referred to is described as:

Beginning at a 1/2 inch iron pin on
right of way of the Klamath Falls-Lakevie
which bears South 80°45' West a distance
0°06'30" West a distance of 11.82 feet fr
NW 1/4 SE 1/4 of Section 3 Township 30 So
pin also being the Northwest corner of par
United States National Bank of Portland b
page 435, Deed records of Klamth County, (
West along said re-located right of way l
to an iron pin and the true point of begi
thence South 0°06'30" West parallel with
States National Bank parcel a distance
thence South 89°58'30" East parallel to t
highway right of way a distance of 100.0
line of said United States National Bank
West along said West line a distance of 3
pin marking the Southwest corner of said
East a distance of 329.18 feet, more or l
the Northeasterly right of way line of th
North 67°15' West along said right of way
more or less, to an iron pin on the Easter
U.S.R.S. Drain 1-C; thence North 29°11'00" W
line a distance of 65.47 feet to an iron pin;
West along the West line of parcel of land conve
et ux., by deed recorded September 20, 1950, Deed
records of Klamath County, Oregon, a distance of 26
less, to the South line of the said Klamath Falls Lakeview
(South Sixth Street); thence South 69°58'30" East along sa
right of way line a distance of 367.9 feet, more or less, t
of beginning, containing 4.02 acres, more or less.

on this 10th day of March 19 72

Edward H. Pietz   Gloria Pie

Tod E. McClaskey   Maxine McCla

E. D. Vareldzis   Gora Varldzi

Harry Bruss