

28-4588

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OW-80708  
OREGON

VA Form 26-6335 (Home Loan)  
May 1968. Use optional Section  
1810, Title 38, U.S.C. Acceptable  
to Federal National Mortgage  
Association.

## MORTGAGE

KNOW ALL MEN BY THESE PRESENTS, that

GERALD O. HERMAN and MICKI JO HERMAN, husband and wife

hereinafter called the mortgagor, in consideration of the sum of  
THIRTY-FIVE THOUSAND AND NO/100 - - - - - Dollars (\$ 35,000.00 ), the receipt whereof is  
hereby acknowledged, paid to the mortgagor by

AMFAC MORTGAGE CORPORATION

a corporation organized and existing under the laws of Oregon  
hereinafter called the mortgagee, has granted, bargained, sold, assigned, and conveyed and does by these presents  
grant, bargain, sell, assign, and convey unto the mortgagee all of the following-described property in the  
of in the County of Klamath  
and State of Oregon, to wit:

All that portion of Government Lot 29 lying East of  
Highway 97 and all of Government Lot 30, Section 3,  
Township 36 South, Range 7 East of the Willamette  
Meridian, Klamath County, Oregon.

including all buildings and improvements thereon (or that may hereafter be erected thereon); together with the  
hereditaments and appurtenances and all other rights thereunto belonging, or in anywise now or hereafter appertain-  
ing, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof (provided, however,  
that the mortgagor shall be entitled to collect and retain the said rent, issues and profits until default hereunder),  
and all fixtures now or hereafter attached to or used in connection with the premises herein described; and in addition  
thereto the following described household appliances, which are, and shall be deemed to be, fixtures and a part of  
the realty, and are a portion of the security for the indebtedness herein mentioned:

Range: Jenn-Air Model #2350-EGS, Serial #B-2729

Dishwasher: Gaffers & Sattler Model #GS 610, Ser #298310489

Garbage Disposal: Gaffers & Sattler,  $\frac{1}{2}$  HP

Vent Fan: Jenn-Air Model #2350-EGS, Serial #B-2729

To HAVE AND TO HOLD said described property 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 with interest from date at the rate of - - - Seven - - - - - per centum ( 7 %) per annum on the unpaid balance until paid, the said principal and interest to be payable at the office of AMFAC MORTGAGE CORPORATION in Portland, Oregon , or at such other place as the holder of the note may designate in writing delivered or mailed to the mortgagor, in monthly installments of Two Hundred Thirty-three and 10/100 - - - Dollars (\$ 233.10 ), commencing on the first day of May , 19 73, and continuing on the first day of each month thereafter until the note is fully paid, except that, if not sooner paid, the final payment of principal and interest shall be due and payable on the first day of March , 2003.

The mortgagor hereby covenants:

1. He is seized in fee simple (or such other estate as is stated hereinbefore) of said premises; there are no liens or encumbrances against or upon the same, except as herein otherwise recited; he shall forever warrant and defend said property 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. He will repay to mortgagee, as hereinafter provided, all funds hereafter advanced by mortgagee pursuant to any covenant or agreement herein contained, with interest thereon from date of advance until repaid, at the rate provided for in the principal indebtedness, and will pay when due and payable all indebtedness evidenced by said note. 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. If any action or suit is brought for the foreclosure of this mortgage or the collection of said note, the mortgagor shall be liable to mortgagee for a reasonable attorney's fee. Privilege is reserved to prepay at any time, without premium or fee, the entire indebtedness or any part thereof not less than the amount of one installment, or one hundred dollars (\$100.00), whichever is less.

3. 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, (under the terms of this trust as hereinafter stated) until the said note is fully paid:

(a) 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, and of which the mortgagor is notified) 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.

(b) The aggregate of the amounts payable pursuant to subparagraph (a) and those payable on the note secured hereby, shall be paid in a single payment each month, to be applied to the following items in the order stated:

- (i) ground rents, if any, taxes, assessments, fire and other hazard insurance premiums;
- (ii) interest on the note secured hereby; and
- (iii) 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. At mortgagee's option, mortgagor will pay a "late charge" not exceeding four per centum (4%) of any installment when paid more than fifteen (15) days after the due date thereof

to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby.

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to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

4. If the total of the payments made by the mortgagor under (a) of paragraph 3 preceding shall exceed the amount of payments actually made by the mortgagee as trustee for ground rents, taxes, and assessments or insurance premiums, as the case may be, such excess shall be credited on subsequent payments to be made by the mortgagor for such items or, at mortgagee's option, shall be refunded to mortgagor. If, however, such monthly payments shall not be sufficient to pay such items when the same shall become due and payable, then the mortgagor shall pay to the mortgagee as trustee any amount necessary to make up the deficiency within thirty (30) days after written notice from the mortgagee stating the amount of the deficiency, which notice may be given by mail. If at any time the mortgagor shall tender to the mortgagee as trustee, 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 any credit balance accumulated under the provisions of (a) 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 credit balance accumulated under (a) of paragraph 3 preceding, as a credit on the interest accrued and unpaid and the balance on the principal then remaining unpaid on such note.

5. He will pay all ground rents, taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions, levied upon said premises except when payment for all such items has theretofore been made under (a) of paragraph 3 hereof, and he will promptly deliver the official receipts therefor to the mortgagee. In default thereof the mortgagee may pay the same.

6. He will not commit waste, or authorize the repair or the removal of any structures on the encumbered property and will not do or permit any act that may lawfully result in the creation of a lien or claim upon the land or the improvements without prior written consent of mortgagee; but shall otherwise maintain the property in as good condition as at present, reasonable wear and tear excepted. Upon any failure so to maintain, mortgagee, at its option, may cause reasonable maintenance work to be performed at the cost of mortgagor. Any amounts paid therefor by mortgagee shall bear interest at the rate provided for in the principal indebtedness, shall thereupon become a part of the indebtedness secured by this instrument, ratably and on a parity with all other indebtedness secured hereby, and shall be payable thirty (30) days after demand.

7. He will continuously maintain hazard insurance, of such type or types and amounts as mortgagee may from time to time require, on the improvements now or hereafter on said premises, and except when payment for all such premiums has theretofore been made under (a) of paragraph 3 hereof, he will pay promptly when due any premiums therefor. Upon default thereof, mortgagee may pay the same. 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. Upon request of the mortgagee, the mortgagor shall execute and deliver a supplemental note or notes for the sum or sums advanced by the mortgagee for the alteration, modernization, or improvement, at mortgagor's request, or for maintenance of said premises, for taxes or assessments against the same and for any other purpose elsewhere authorized hereunder. Said note or notes shall be secured hereby on a parity with and as fully as if the advance evidenced thereby were included in the note first described above. Said supplemental note or notes shall bear interest at the rate provided for in the principal indebtedness and shall be payable in approximately equal monthly payments for such period as may be agreed upon by the mortgagor and mortgagee. Failing to agree on the maturity, the whole of such sum or sums so advanced shall be due and payable thirty (30) days after demand by the mortgagee. In no event shall the maturity extend beyond the ultimate maturity of the note first described above.

9. 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.

10. 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.

11. The lien of this instrument shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness or any part thereof secured hereby.

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.

If the indebtedness secured hereby be guaranteed or insured under Title 38 United States Code, such Title and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of the parties hereto, and any provisions of this or other instruments executed in connection with said indebtedness which are inconsistent with said Title or Regulations are hereby amended to conform thereto.

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, the use of any gender shall be applicable to all genders, and the term "mortgagee" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

IN WITNESS WHEREOF, the mortgagor(s) have hereunto set their hand(s) and seal(s) this  
27th day of March, 1973

Executed in the presence of

Gerald O. Herman [SEAL]

Micki Jo Herman [SEAL]

\_\_\_\_\_ [SEAL]

\_\_\_\_\_ [SEAL]

STATE OF OREGON  
COUNTY OF KLAMATH

ss:

On this 27th day of March, 1973, personally appeared before me, a Notary Public within and for said county and State, the within-named GERALD O. & MICKI JO HERMAN, personally known to me to be the individual described in and who executed the within instrument and 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.



Helen D. Goehner  
Notary Public for the State of Oregon.

My commission expires 11/25/76

FILE \$ 8.00

STATE OF OREGON

Mortgage

TO

STATE OF OREGON  
COUNTY OF KLAMATH

ss:

Filed for record at request of Mortgagee on  
the 19th day of APRIL, 1973,  
at 55 minutes past 9 o'clock  
A. M. and recorded in Vol. M 73 of  
Mortgages, page / 4686  
Records of said county.

WM. D. NINE COUNTY CLERK  
County Recorder.

By Hazel Drager Deputy

Return to: AMFAC MORTGAGE CORPORATION  
P. O. Box 1603  
Medford, Oregon 97501  
453010