

EARL R. NINO and MAUREEN E. NINO, husband and wife,
Grantors, convey and warrant to FREDERICK L. GIMBEL and ELIZABETH
ANN GIMBEL, husband and wife, Grantees, the following described
real property located in Klamath County, Oregon, State of Oregon,
free of all encumbrances, except as specifically set forth herein:

Lot 9 in Block 11 of Tract No. 1037, Fifth Addition
to Sunset Village according to the official plat
thereof on file in the office of the County Clerk
of Klamath County, Oregon.

SUBJECT TO:

1. Reservations, restrictions, rights of way and easements
of record and those apparent on the land.
2. Liens and assessments of Klamath Project and Enterprise
Irrigation District and regulations, easements, water and irrigation
rights in connection therewith.
3. Any unpaid charges or assessments of Enterprise
Irrigation District.
4. Rules, regulations, and assessments of South Suburban
Sanitary District.
5. Rules, regulations, and assessments of Sunset Highway
Lighting District No. 1.

6. Conditions, restrictions, setback lines and easement
as shown on the plat of Tract No. 1037, Fifth Addition to Sunset
Village and reservations and restrictions contained in the dedication
of said subdivision as follows: "... said plat subject to: (1)
easements for future public utilities, irrigation and drainage as
shown on the annexed plat, easements to provide ingress and egress
for construction and maintenance of said utilities, irrigation
and drainage, (2) no changes will be made in the present
irrigation, and/or drain ditches without the consent of the
Enterprise Irrigation District, its successors or assigns, (3)
building set-back lines as shown on the annexed plat, (4) all
easements and reservations of record and additional restrictions
as provided in any recorded protective covenants."

7. Declaration of Conditions and Restrictions for Fifth
Addition to Sunset Village recorded July 13, 1972, Vol. M72, page
6318, Deed Records of Klamath County, Oregon.

The true and actual consideration paid for this convey-
ance is \$38,900.00.

WITNESS Grantors' hands this 24th day of December, 1975.

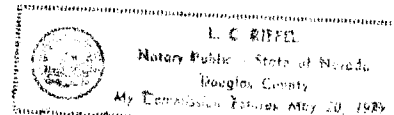
Earl R. Nino

Maureen E. Nino

STATE OF NEVADA)
County of Douglas) ss. 471

Personally appeared EARL R. NINO and MAUREEN E. NINO,
husband and wife, and acknowledged the foregoing instrument to be
their voluntary act and deed.

BEFORE ME:



[Signature]
NOTARY PUBLIC FOR NEVADA
My Commission Expires: 20 MAY 1979

Unless a change is requested
all tax statements shall be
sent to the following address:
Department of Veteran's Affairs
1225 Ferry Street, S. E.
Salem, Oregon 97310

AFTER RECORDING RETURN TO:

Mr. and Mrs. Frederick L. Gimbel
5009 Madara Street
Klamath Falls, Oregon 97601

FILED IN DEEDS, COUNTY OF DOUGLAS, NV
this 24th day of January A.D. 1976 at 3:54 P.M. and
duly recorded in Vol. 176 of 6025
W.D. MILNE, County Clerk
[Signature]

THE MORTGAGOR, FREDERICK L. GIMBEL and ELIZABETH ANN GIMBEL, husband
and wife,

mortgages to the STATE OF OREGON represented and acting by the Director of Veterans' Affairs pursuant to ORS 407.030, the follow-
ing described real property located in the State of Oregon and County of Klamath

Lot 9 in Block 11 of Tract No. 1037, Fifth Addition to Sunset Village according
to the official plat thereof on file in the office of the County Clerk of Klamath
County, Oregon.

together with the tenements, hereditaments, rights, privileges, and appurtenances including roads and easements used in connection
with the premises: electric wiring and fixtures, furnace and heating system, water heaters, fuel storage receptacles, plumbing,
ventilating, water and irrigation systems, green house, window shades and blinds, shutters, cabinets, built-in fixtures and floor
coverings, built-in stoves, ovens, electric sinks, air conditioning, refrigerators, freezers, dishwashers and all fixtures now or hereafter
installed in or on the premises, and any shrubbery, lawn, garden, flower beds, trees, shrubs, vines, and all fixtures now or hereafter
planted or growing thereon, in whole or in part, all of which are hereby declared to be appurtenant to the
land, and all of the rents, issues, and profits of the mortgaged property.

To secure the payment of Twenty Eight Thousand Nine Hundred And No/100----- Dollars

(\$28,900.00-----), and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON Twenty Eight Thousand Nine Hundred And No/100----- Dollars (\$28,900.00-----) with interest from the date of
initial disbursement by the State of Oregon, at the rate of 5.9----- percent per annum until such time as a
different interest rate is established pursuant to ORS 407.02, principal and interest to be paid in lawful money of the United
States at the office of the Director of Veterans' Affairs in Salem, Oregon, as follows:
\$135.00----- on or before January 15, 1976----- and \$135.00 on the
fifteenth of each month----- plus one-twelfth of----- the ad valorem taxes for each
successive year on the premises, described in the mortgage, and continuing until the full amount of the principal, interest
and advances shall be fully paid, such payments to be applied first as interest on the unpaid balance, the remainder on the
principal.
The due date of the last payment shall be on or before December 15, 2000-----
In the event of transfer of ownership of the premises or any part thereof, I will continue to be liable for payment and
the balance shall draw interest as prescribed by ORS 407.02 from date of such transfer.
This note is secured by a mortgage, the terms of which are made a part hereof.
Dated at Klamath Falls, Oregon January 24, 1976
[Signatures]

The mortgagor or subsequent owner may pay all or any part of the loan at any time without penalty.

The mortgagor covenants that he owns the premises in fee simple, has good right to mortgage same, that the premises are free
from encumbrances that he will warrant and defend same forever against the claims and demands of all persons whomsoever, and this
covenant shall not be extinguished by foreclosure, but shall run with the land.

MORTGAGOR FURTHER COVENANTS AND AGREES:

1. To pay all debts and moneys secured hereby;
2. Not to permit the buildings to become vacant or unoccupied; not to permit the removal or demolition of any buildings or im-
provements now or hereafter existing, to keep same in good repair, and to complete all construction within a reasonable time in
accordance with any agreement made between the parties hereto;
3. Not to permit the cutting or removal of any timber except for his own domestic use; not to commit or suffer any waste;
4. Not to permit the use of the premises for any objectionable or unlawful purpose;
5. Not to permit any tax, assessment, lien, or encumbrance to exist at any time;
6. Mortgagee is authorized to pay all real property taxes assessed against the premises and add same to the principal, each of the
advances to bear interest as provided in the note;
7. To keep all buildings unconditionally insured during the term of the mortgage, against loss by fire and such other hazards in such
company or companies and in such an amount as shall be satisfactory to the mortgagee; to deposit with the mortgagee all such
policy receipts, showing payment in full of all premiums; all such insurance shall be made payable to the mortgagee;
insurance shall be kept in force by the mortgagor in case of foreclosure until the period of redemption expires;

8. Mortgagee shall be entitled to all compensation and damages received under right of eminent domain, or for any security voluntarily released, same to be applied upon the indebtedness;

9. Not to lease or rent the premises, or any part of same, without written consent of the mortgagee;

10. To promptly notify mortgagee in writing of a transfer of ownership of the premises or any part or interest in same, and to furnish a copy of the instrument of transfer to the mortgagee; a purchaser shall pay interest as prescribed by ORS 467.070 on all payments due from the date of transfer; in all other respects this mortgage shall remain in full force and effect.

The mortgagee may, at his option, in case of default of the mortgagor, perform same in whole or in part and all expenditures made in so doing including the employment of an attorney to secure compliance with the terms of the mortgage or the note shall draw interest at the rate provided in the note and all such expenditures shall be immediately repayable by the mortgagor without demand and shall be secured by this mortgage.

Default in any of the covenants or agreements herein contained or the expenditure of any portion of the loan for purposes other than those specified in the application, except by written permission of the mortgagee given before the expenditure is made, shall cause the entire indebtedness at the option of the mortgagee to become immediately due and payable without notice and this mortgage subject to foreclosure.

The failure of the mortgagee to exercise any options herein set forth will not constitute a waiver of any right arising from a breach of the covenants.

In case foreclosure is commenced, the mortgagor shall be liable for the cost of a title search, attorney fees, and all other costs incurred in connection with such foreclosure.

Upon the breach of any covenant of the mortgage, the mortgagee shall have the right to enter the premises, take possession, collect the rents, issues and profits and apply same, less reasonable costs of collection, upon the indebtedness and the mortgagee shall have the right to the appointment of a receiver to collect same.

The covenants and agreements herein shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties herein.

It is distinctly understood and agreed that this note and mortgage are subject to the provisions of Article XI-A of the Oregon Constitution, ORS 467.010 to 467.210 and any subsequent amendments thereto and to all rules and regulations which have been issued or may hereafter be issued by the Director of Veterans' Affairs pursuant to the provisions of ORS 467.025.

WORDS: The masculine shall be deemed to include the feminine, and the singular the plural where such connotations are applicable herein.

IN WITNESS WHEREOF, The mortgagors have set their hands and seals this 9th day of January, 1976

Frederick L. Gimbel (Seal)
Elizabeth Gimbel (Seal)
 (Seal)

ACKNOWLEDGMENT

STATE OF OREGON,

County of Klamath } ss.

Before me, a Notary Public, personally appeared the within named FREDERICK L. GIMBEL and ELIZABETH ANN GIMBEL,

his wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

WITNESS by hand and official seal the day and year last above written.

Susan Kay Way
 Susan Kay Way
 Notary Public for Oregon
 My commission expires 6/4/1977
 Notary Public for Oregon

My Commission expires

MORTGAGE

FROM TO Department of Veterans' Affairs L. M35960

STATE OF OREGON,

County of Klamath } ss.

I certify that the within was received and duly recorded by me in Klamath County Records, Book of Mortgages.

No. 76 Page 472 on the 9th day of JANUARY 1976 WILDETINE Klamath County CLEAR

By *Hazel Dragic* Deputy.Filed JANUARY 9th 1976 at o'clock 3:54 P.M.
Klamath Falls, OregonCounty Clerk By *Hazel Dragic* Deputy.

After recording return to:
 DEPARTMENT OF VETERANS' AFFAIRS
 General Services Building
 Salem, Oregon 97310

FEE \$ 6.00

Form L-4 (Rev. 5-71)

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(Official Seal)