

44614

Vol. M 78 Page 4871

MTG-2646-M
SECURITY AGREEMENT

M 43502

June 15, 1976

Date

1. Cecil W. Steen and Frances N. Steen, husband and wife

(Name)

677 W. Main Street Sp 8

(No. and Street)

John Day,

City

Grant

County

Oregon 97845

State

(hereinafter called "Debtor"), hereby grants to the State of Oregon, represented and acting by the Director of Veterans' Affairs, (hereinafter called "Director"), a security interest in the following property and any and all additions, attachments and accessions thereto (hereinafter called the "Collateral"):

New or Used	Manufacturer	Year	Series Name	Color & Model	Serial Number	Length & Width
NEW	MARLETTE	1976			H24356	24x60

And special equipment listed: Skirting

to secure the payment of Seventeen thousand eight hundred and 00/100
17,800.00 Dollars (\$ 17,800.00), and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON Seventeen thousand eight hundred and 00/100
17,800.00 Dollars (\$ 17,800.00), with interest from the date of initial disbursement by the State of Oregon, at the rate of 7.9 percent per annum until such time as a different interest rate is established pursuant to ORS 407.072, 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: \$ 148.00 on or before August 1, 1976, and \$ 148.00 on the first of each month thereafter, plus one-twelfth of the taxes for each successive year on the Collateral described in the security agreement 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 July 1, 1996

In the event of transfer of ownership of the Collateral or any part thereof, I will continue to be liable for payment and the balance shall draw interest as prescribed by ORS 407.070 from date of such transfer.

This note is secured by a security agreement, the terms of which are made a part hereof.

Dated at John Day, OregonJune 15, 19 76

Cecil W. Steen
Frances N. Steen

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

2. The Collateral will be located at 677 W. Main Street #8
(No. and Street)

John Day,

City

Grant

County

Oregon

State

97845

THIS COLLATERAL WILL NOT BE MOVED TO A LOCATION OUTSIDE THE STATE OF OREGON. THE COLLATERAL WILL NOT BE MOVED FROM THE FOREGOING ADDRESS TO ANY OTHER LOCATION WITHIN OREGON WITHOUT THE WRITTEN CONSENT OF THE DIRECTOR. A VIOLATION IN EITHER INSTANCE WILL RESULT IN THE ENTIRE INDEBTEDNESS BEING DECLARED DUE AND PAYABLE.

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3. Debtor warrants and covenants that except for the security interest granted hereby, Debtor is the owner of the Collateral free from any lien, security interest or encumbrance and will defend the Collateral against the claims and demands of any persons whomsoever.

4. Debtor further covenants and agrees:

- A. To pay all debts and monies secured hereby;
- B. To maintain the Collateral in good condition and repair and preserve the same against waste, loss, damage or depreciation in value other than by reasonable wear;
- C. Not to permit the use of the premises from any objectionable or unlawful purpose;
- D. Not to permit any tax, assessment, lien or encumbrance to exist at any time;
- E. The Secured Party is authorized to pay all taxes assessed against the Collateral and to add same to the principal, each of the advances to bear interest as provided in the note;
- F. To keep the Collateral unceasingly insured during the life of the security agreement, against loss by fire and such other hazards in such company or companies and in such an amount as shall be satisfactory to the Secured Party;
- G. Not to lease or rent the Collateral, or any part of same, without the written consent of the Secured Party;
- H. To promptly notify the Secured Party in writing of a transfer of ownership of the Collateral or any part of interest in same, and to furnish a copy of the instrument of transfer to the Secured Party: a purchaser shall pay interest as prescribed by ORS 407.070 on all payments due from date of transfer; in all other respects, this security agreement shall remain in full force and effect;
- I. Secured Party shall be entitled to all compensation received for any security voluntarily released, same to be applied on the indebtedness.

5. Debtor shall be in default under this agreement upon the happening of any of the following events or conditions:

- A. Debtor shall fail to pay, when due, any installment of principal, interest or taxes of any indebtedness owing by Debtor to the Secured Party;
- B. If Debtor shall fail to perform promptly at the time and strictly in the manner provided by any covenant of the Debtor contained in this or any other agreement between him and the Secured Party;
- C. If any warranty, representation or statement made by Debtor to Secured Party is false in any material respect.

6. This security agreement shall further secure the payment of such additional money, if any, as may be loaned hereafter by the Secured Party to the Debtor as evidenced by a note or notes. Any advances are limited to the amounts and percentages as set forth in ORS 407.040 and ORS 407.050, respectively.

7. Upon such default and at any time thereafter, Secured Party shall have each and all of the rights and remedies granted to him by the Uniform Commercial Code of Oregon or other applicable laws, by this agreement and by the promissory note or notes hereby secured, and the Secured Party may, without notice, declare any or all such promissory notes immediately due and payable. The Debtor agrees to pay all expenses, including reasonable attorney's fees, incurred by the Secured Party in taking, holding, preparing for sale and selling any of the Collateral or the collection on the note herein, as well as attorney's fees and costs.

Upon the breach of any covenant of the security agreement, the Secured Party shall have the right to take possession of the Collateral, collect the rents, issues and profits, and apply same, less reasonable costs of collection, upon the indebtedness and the Secured Party 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 hereto.

It is distinctly understood and agreed that this note and security agreement are subject to the provisions of Article XI-A of the Oregon Constitution, ORS 407.010 to 407.210 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 407.020. The failure of the Secured Party to exercise any options herein set forth will not constitute a waiver of any right arising from a breach of the covenants.

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

I HEREBY STATE THAT I WILL PERSONALLY OCCUPY THIS PROPERTY AS MY PRINCIPAL HOME UPON COMPLETION OF THE LOAN.

Signed in duplicate this 15th day of June, 19 76

Return
State U.A.
711 East Main Suite 25
Medford OR 97501

Cecil W. Steen Debtor

Frances D. Steen Spouse

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 14th day of March A.D., 19 78 at 3:24 o'clock P M., and duly recorded in Vol. M78 of Mortgages on Page 4871.

FEE \$6.00

WM. D. MILNE, County Clerk

By Bernetha J. Ketch Deputy