

MORTGAGEPARTIES:ELODIE E. GOLDEN

(Mortgagor)

THERESA L. DOVERI

(Mortgagee)

78 JUN 13 AM 8 52

The Mortgagor hereby mortgages to Mortgagee the real property described on the attached Exhibit A and all interest therein which the Mortgagor may hereafter acquire; and all buildings, improvements, fixtures or appurtenances now or hereafter erected thereon or used in connection with the property, including but not limited to all apparatus, equipment, fixtures or articles whether in single units or centrally controlled, used to supply heat, gas, air conditioning, water, light, power, refrigeration, ventilation, or other services; all built-in appliances, and any other thing now or hereafter therein or thereon, the furnishing of which by lessors to lessees is customary or appropriate, including screens, window shades, storm doors and windows, floor coverings, screen doors, awnings, tanks, shrubbery, trees, stoves and water heaters; all of which are intended to be and are hereby declared a part of real estate whether physically attached thereto or not; and all easements, water rights, and other rights or privileges now or hereafter appurtenant to the land; and all of the rents, issues, and profits of the premises, which are hereby pledged, assigned and transferred to the Mortgagee, whether now due or hereafter to become due.

1. This mortgage is to secure the payment of a promissory note, a copy of which is attached hereto as Exhibit B, in the face amount of \$ 20,916.67 ; and to secure the performance of all of the covenants and obligations of the Mortgagor contained or referred to herein.

2. The Mortgagor covenants:

A. The Mortgagor will pay the notes and all extensions or renewals thereof, if any, together with all interest accrued thereon, promptly as the same becomes due.

B. The Mortgagor will pay when due all taxes, assessments and other governmental rates and charges against the property (including those heretofore due), and will furnish the Mortgagee, upon request, duplicate receipts therefor, and all items extended against said property shall be conclusively deemed valid for the purpose of this requirement.

C. The Mortgagor is the owner in fee simple of the real property above described subject to only the encumbrances shown on the attached Exhibit A and is entitled to possession thereof; the Mortgagor has the right to mortgage the same; the Mortgagor will keep the same free from all other encumbrances, including those of record, whether legal or otherwise, which are or might be prior or superior to the lien of Mortgagee hereunder; the Mortgagor will warrant and defend the same against all claims and demands whatsoever; the Mortgagor will execute or procure such further assurance of its title to the real property as may be reasonably requested by Mortgagee to protect its security interest.

D. The Mortgagor will keep the improvements now or hereafter upon the premises insured against damage by fire with extended coverage, broad form, until said indebtedness is fully paid, or in case of foreclosure until expiration of the period of redemption, for the full insurable value thereof, in form and with a company reasonably acceptable to the Mortgagee. Such insurance policy or policies shall have mortgage clauses in favor of, and in form acceptable to, the Mortgagee. In the 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 be passed to the purchaser or grantee. In case of loss, the Mortgagor shall give immediate notice of loss by mail to the Mortgagee. In the event of destruction or damage, the Mortgagor may elect to rebuild and restore the improvements now or hereafter on said premises by giving written notice thereof to the Mortgagee within fifteen (15) days from such destruction or damage. In the event the Mortgagor so elects, such rebuilding or restoration shall be promptly commenced and diligently prosecuted. In the event the Mortgagor does not give a timely notice of election to rebuild or restore, all insurance proceeds shall be paid to the Mortgagee to apply upon the indebtedness secured by this mortgage, in addition to any other payments coming due thereon.

E. The Mortgagor will keep the premises in good condition and repair, without waste or strip, will not make, suffer or permit any unlawful use of or any nuisance to exist on the property, not diminish or impair its value by any act or omission to act, and will comply with all requirements of law with respect to the mortgaged premises and the use thereof.

F. The Mortgagor will not initiate, join in or consent to any change in any private, restrictive covenant or condition, zoning ordinance, or other public or private restriction, limiting or defining the uses which may be made of the premises or any part thereof, without the prior written consent of the Mortgagee.

G. The Mortgagor will not make, suffer or permit, without the written permission of the Mortgagee first being had and obtained, any alterations or removal of the improvements, apparatus, appurtenances, fixtures, built-in appliances, or equipment now or hereafter used upon said property, provided, items of equal or greater value may be substituted for any such items.

3. The Mortgagor further covenants:

A. Upon request of the Mortgagee, the Mortgagor shall furnish a certificate of insurance evidencing compliance with the insurance requirements of Paragraph 2.D. above.

B. Upon request of the Mortgagee, the Mortgagor shall certify in writing to the Mortgagee or its proposed assignee the amount of principal and interest then owing and whether it has or claims any setoffs or defenses thereto.

4. In the event the ownership of the property or any part thereof becomes vested in a person other than the Mortgagor, the Mortgagee may without notice to the Mortgagor deal with such successor or successors in interest with reference to this mortgage, and the obligations hereby secured, either by forbearance to sue or by extending the time for payment of the debts hereby secured without in any way releasing, discharging or otherwise affecting the Mortgagor's liability hereunder for the debt hereby secured.

5. In case the mortgaged property, or any portion thereof, shall be taken under the right of eminent domain or condemnation, then as between Mortgagor and Mortgagee the Mortgagee is empowered to collect and receive all compensation which may be paid for any property taken or for damages to property not taken, and all compensation so received which is in excess of the amount required to pay the reasonable costs, expenses and attorney's fees necessarily paid or incurred by the Mortgagor in such proceedings, shall be applied by the Mortgagee first upon any reasonable costs, expenses and attorney's fees necessarily paid or incurred by the Mortgagee in such proceedings, and the balance applied upon the indebtedness secured hereby. The Mortgagor agrees, at its own expense, to take such action or to execute such instruments as may be necessary in obtaining such compensation, promptly upon the Mortgagee's request.

6. It is expressly understood and agreed:

A. Should the Mortgagor fail to perform any of the covenants of this mortgage, the Mortgagee may at its option carry out the same on behalf of the Mortgagor without waiver of such default, and the Mortgagee may do any act it may deem necessary

to protect the lien hereof. Any expenditures made or charges incurred by the Mortgagee for the foregoing purpose shall be repayable by the Mortgagor on demand and shall be secured by this mortgage, and shall draw interest until repaid at the rate of ten percent (10%) per annum. (The Mortgagee may at its option sue to collect all or any part of the aforementioned expenditures without foreclosing this mortgage and without affecting its right to foreclose this mortgage at any future time.) Nothing herein contained shall require the Mortgagee to advance any monies for any purpose or do any act hereunder, and the Mortgagee shall not incur any personal liability because of its acts or omissions hereunder.

B. Time is material and of the essence hereof, and if default be made in the payment of the debts hereby secured, or any installment, extension or renewal thereof, or of interest, or in the performance of any of the covenants herein contained, or if Mortgagor or any of the guarantors is adjudicated bankrupt or if a receiver is appointed for any property of Mortgagor or any of the guarantors, or if Mortgagor or any of the guarantors shall make an assignment for the benefit of creditors, or if proceedings be instituted to enforce any other lien or charge upon any of the property covered by this mortgage and within thirty (30) days thereafter Mortgagor shall not deposit cash or post a bond in lieu of cash in the amount of the alleged debt for the lien or charge sought to be foreclosed, or if the Mortgagor abandons any of the property, the balance of the unpaid principal with the accrued interest, and all other indebtedness hereby secured, shall, at the Mortgagee's election, become immediately due without notice and this mortgage may be foreclosed. In addition, the Mortgagee may at its option and without affecting the lien hereby created, apply toward the payment of the indebtedness, such sums or any part thereof held by it under the provisions of this mortgage, or any indebtedness of the Mortgagee to the Mortgagor. Mortgagor's failure to exercise any right or option, or waiver of any default shall not be deemed a waiver of any future right, option or default.

C. The Mortgagor assigns to the Mortgagee all rents, issues, profits and revenues from the real property or any improvements thereon and hereby assigns any leases in effect or hereafter in effect upon said premises or any part thereof and in the event of default in any of the provisions of this mortgage and while the default continues, hereby authorizes and empowers the Mortgagee, its agents or attorneys, at its election, without notice to the Mortgagor, as agents for the Mortgagor, to take and maintain full control of the property and improvements thereon; to oust tenants for nonpayment of rents; to lease all or any portion thereof, in the name of the Mortgagor, on such terms as it may deem advisable; to make alterations or repairs

it may deem advisable and deduct the cost thereof from the rent; to receive all rents and income therefrom and issue receipts therefor; and out of the amount or amounts so received to pay the necessary operating expenses and retain or pay the customary charges for thus managing the property; to pay the Mortgagee any amount due upon the indebtedness secured by this mortgage; to pay taxes, assessments, and premiums on insurance policies or renewals thereof, on the property, or amounts necessary to carry out any covenant in this mortgage contained, the Mortgagee to determine which items are to be met first, but to pay any overplus so collected to the Mortgagor of the property, and those exercising this authority shall be liable to the owner only for the amount collected hereunder and the accounting thereof, and as to all others, persons exercising this authority are acting only as agent of the owner in the protection of the Mortgagee's interest. In no event is the right to such management and collection of such rents to affect or restrict the right of the Mortgagee to foreclose this mortgage in case of default.

D. A receiver may be appointed in any suit or proceeding to foreclose this mortgage, without regard to the adequacy of the security for the indebtedness or the solvency of the Mortgagor or the absence of waste or danger of loss or destruction of the property, to possess, manage and control the real property above described and all buildings thereon, and to collect the rents, issues and profits thereof. Upon a declaration of default under the terms of this mortgage, the Mortgagor shall attorn to the Mortgagee or to a receiver of the property.

E. Mortgagee shall not be required to marshal security and may proceed to foreclose or otherwise realize upon security in such order and in such manner as Mortgagee may determine in Mortgagee's sole discretion.

F. The Mortgagee and persons authorized by Mortgagee shall have the right to enter and inspect the premises at all reasonable times.

G. If Mortgagor shall be in default as specified above, the Mortgagor shall pay to the Mortgagee all reasonable expenses incurred by Mortgagee, at any time necessary in Mortgagee's opinion for the protection of its interests or the enforcement of its rights including but not limited to the cost of searching records, obtaining title reports, surveyor's reports, attorney's opinions or Mortgagee's title insurance, whether or not in connection with any suit or action; and the amount of such expenses, with interest thereon from the date incurred at the rate of ten percent (10%) per annum, if not repaid by the Mortgagor upon demand, shall be secured by this mortgage. If any legal proceeding is commenced to foreclose

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this mortgage or if there is a legal action or suit filed concerning this mortgage or the property it covers, the Mortgagee shall be entitled to recover reasonable attorney's fees, to be set by the Court or Courts in which the suit or action, including any appeal thereof, is tried, heard or decided.

DATED this ____ day of May, 1978.

Elodie E. Golden
Elodie E. Golden

STATE OF WASHINGTON)
COUNTY OF King) ss.

May 30, 1978. Personally appeared the above-named ELODIE E. GOLDEN and acknowledged the foregoing instrument to be her voluntary act.
Before me:

Bartara M. Laughlin
Notary Public for Oregon
My commission expires: 9-13-79

EXHIBIT "A"

An undivided one-sixth (1/6) interest in the following described real property:

Lots 4 and 5 in Block 49 of Nichols Addition to the City of Klamath Falls, according to the official plat thereof on file in the records of Klamath County, Oregon, saving and excepting therefrom the Northwesterly 7 feet of said Lots 4 and 5 as described in deed from Ralph H. Ross et al., to City of Klamath Falls, Oregon, dated April 3, 1922, recorded October 16, 1923, Vol. 63 of Deeds, page 67, Records of Klamath County, Oregon, for alley.

Also that portion of Lot 3 in Block 49 of Nichols Addition to the City of Klamath Falls, according to the official plat thereof on file in the Records of Klamath County, Oregon, more particularly described as follows: Beginning at the most Southerly corner of said Lot 3; thence Northwesterly along the most Westerly line of said Lot 3 a distance of 113 feet to the Southeasterly line of an alley described in Book 63 at page 67 of Deed Records of Klamath County, Oregon; thence Northeasterly along the Southeasterly line of said alley a distance of 50 feet; thence Southeasterly along a line parallel with, and 50 feet distant at right angles from, the most Westerly line of said Lot 3 a distance of 113 feet to the most Southeasterly line of said Lot 3; thence Southwesterly along the Southeasterly line of said Lot 3 a distance of 50 feet to the point of beginning. ✓

12703

PROMISSORY NOTE

\$20,916.67

May 30, 1978
Eugene, Oregon

I, ELODIE E. GOLDEN, promise to pay to the order of THERESA L. DOVERI, at Klamath Falls, Oregon, the sum of TWENTY THOUSAND NINE HUNDRED SIXTEEN & 67/100 DOLLARS (\$20,916.67) with interest thereon at the rate of six per-cent (6%) per annum from June 1, 1978, until paid; payable in monthly installments of not less than \$176.52 in any one pay-ment; interest shall be paid monthly and is included in the minimum payments above required; the first payment to be made on the 1st day of July, 1978, and a like payment on the 1st day of each month thereafter, until the whole sum, principal and interest, has been paid.

If any installment is not paid when due, the entire remaining balance, both principal and interest, shall become immediately due and collectible at the option of the holder of this note.

If this note is placed in the hands of an attorney for collection, I promise to pay holder's reasonable attorneys' fees and collection costs, even though no suit or action is filed herein. If a suit or action is filed, the amount of reasonable attorneys' fees shall be fixed by the court or courts in which the suit or action, including any appeal thereon, is tried, heard or decided.

Return to

Henderson Hunter Miller Gordon & Anderson

P.O. Box 1475

Eugene, Or 97440

Elodie E. Golden
Elodie E. Golden

STATE OF OREGON; COUNTY OF KLAMATH; ss.

and for record consequences

15th day of June A. D. 1978 at 8:52 o'clock A.M., an

uly recorded in Vol. M78, of Mortgages on Page 12696

Wm D. MILNE, County Clerk

Wm D. Milne
Wm D. Milne

Fee \$24.00

EXHIBIT B

ck
3400