

THE MOUNTAIN. Richard L. Thurber and Sally L. Thurber, Husband and Wife

mortgages to the STATE OF OREGON, represent and acting by the Director of Veterans' Affairs, pursuant to ORS 407.030, the following described real property located in the State of Oregon and County of Klamath:

Lot 5 in Block 13, THE MEADOWS - TRACT 1026, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

together with the instruments, fixtures, 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 drainage systems, doors, glass mirrors, shades and blinds, shutters, cabinets, built-in, linoleums and floor coverings, built-in clothes, oven, electric and gas ranges, refrigerators, radiators, heaters, dishwashers, and all fixtures now or hereafter installed on or on the premises; and any replacement of any one or more of the above, and all of the rents, issues, and profits of the mortgaged property.

We enclose the payment of Thirty Eight Thousand Nine Hundred Fifty and no/100 Dollars

(13,950.00) and interest thereon as shown by the following summary note:

I promise to pay to the STATE OF OREGON Thirty Eight Thousand Nine Hundred Fifty and
no/100 no/100 dollars \$ 38,950.00 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 disbursement rate is established by ORS 471.072. 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:

\$ 232.00 on or before October 15, 1978 and \$ 232.00 on the 15th of each month thereafter, plus one-twelfth of the ad valorem taxes for each

successive years as the premises heretofore by the mortgage, and continuing until the full amount of the principal, interest and advances shall be fully paid, said payments to be applied first as interest on the unpaid balance, the remainder on the principal.

The above date of the said judgment shall be on or before September 15, 2008

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 OHIO LAWS from date of such transfer.

This matter is governed by a ruling of the terms of which are made a part hereof.

Date: September 7, 1978

September 7

11-78

That which appears in this document was not a part of any part of the book at any time without penalty.

The first paragraph provides that the lender, the mortgagee in the mortgage, has great right to mortgage same, that the premises are free from encumbrances, that the well known and delivered same forever against the claims and demands of all persons whomsoever, and this covenant shall bind the successors of the lender, but shall not run on the land.

REPORT ON THE STUDENT CONTESTS AND AGREEMENT

1. To pay all debts and expenses incurred hereby;
2. Not to permit the buildings to become dilapidated or substandard; and to permit the removal or demolition of any buildings or improvements on the same or hereafter existing, at the expense of and repair, 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 payments to these interest as provided in the note;
7. To keep all buildings adequately insured during the term of the mortgage, against loss by fire and such other hazards in such amounts as shall be satisfactory to the mortgagee; to deposit with the mortgagee all such insurance with 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 mortgagee in case of foreclosure until the period of redemption expires;

Chapman, John

3. 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.

4. 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 407.070 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 option herein set forth will not constitute a waiver of any right arising from a breach of the covenants.

In case foreclosure is commenced, the mortgagee 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 taxes, monies 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 407.200 to 407.230 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.

WITNESS: The masculine shall be inserted to include the feminine and the singular the plural where such connotations are applicable herein.

IN WITNESS WHEREOF, The foregoing have set their hands and seals this 7 day of August, 19 78

Richard L. Shreiber (Seal)
Sally S. Shreiber (Seal)
(Seal)

ACKNOWLEDGMENT

STATE OF OREGON

County of Klamath

Before me, a Notary Public, personally appeared the within named

Sally S. Shreiber, his wife, and acknowledged the foregoing instrument to be voluntary
act and deed.

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

Linda Stettin
Notary Public for Oregon

My Commission expires My Commission Expires July 13, 1981

MORTGAGE

L. M96030

FROM

TO Department of Veterans' Affairs

STATE OF OREGON

County of Klamath

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

No. M78 Date 1987 on the 3th day of September, 1978 WM. D. MILNE Klamath Clerk

By Richard L. Shreiber, Deputy

Filed September 5, 1978
Klamath Falls, Oregon
County Klamath

at o'clock 11:30 AM

By Richard L. Shreiber, Deputy.

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

Fee \$6.00