

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 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 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 hereto.

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 407.010 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.

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 15 day of January, 1979.

Gary B. Wangeman (Seal)
Gary B. Wangeman

Umpai Wangeman (Seal)
Umpai Wangeman

(Seal)

ACKNOWLEDGMENT

STATE OF OREGON,

County of Klamath } ss.

Before me, a Notary Public, personally appeared the within named Gary B. Wangeman and Umpai Wangeman

....., 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.

[Signature]
Notary Public for Oregon

My Commission expires 8-5-79

MORTGAGE

L- P05849

FROM TO Department of Veterans' Affairs

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. M79 Page 1076 on the 15th day of January, 1979 W. D. MILNE Klamath County Clerk

By Bernetha D. Kitch, Deputy.

Filed January 15, 1978 at o'clock 3:10 P.

Klamath Falls, Oregon

County Klamath

By Bernetha D. Kitch, Deputy.

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

Fee \$6.00

K-31417

61034

Vol. 779 Page 1078

This Indenture, made this 8th day of January, 1979 between

*****Don V. Berry and Kathleen E. Berry*****

hereinafter called "Mortgagor", and FIRST NATIONAL BANK OF OREGON, a national banking association, hereinafter called "Mortgagee" whose address is 2809 South Sixth Street, Klamath Falls, Oregon 97601

WITNESSETH:

For value received by the Mortgagor from the Mortgagee, the Mortgagor has bargained and sold and does hereby grant, bargain, sell and convey unto the Mortgagee, all the following described property situate in Klamath County, Oregon, to wit:

***A tract of land situated in Lots 6 and 7, PIEDMONT HEIGHTS, a subdivision in Klamath County, Oregon and being more particularly described as follows:

Beginning at a point on the South line of Lot 6, PIEDMONT HEIGHTS, from which the Southwesterly corner of said Lot 6 bears West 100 feet distant; thence North 0° 27' West 150 feet; thence East 100 feet; thence South 0° 27' East 150 feet to the South line of said Lot 6; thence West 100 feet, more or less, to the point of beginning.

together with the tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in anywise appertaining; also all such apparatus, equipment and fixtures now or hereafter situate on said premises, as are ever furnished by landlords in letting unfurnished buildings similar to the one situated on the real property hereinabove described, including, but not exclusively, all fixtures and personal property used or intended for use for plumbing, lighting, heating, cooking, cooling, ventilating or irrigating, linoleum and other floor coverings attached to floors, and shelving, counters, and other store, office and trade fixtures; also the rents, issues and profits arising from or in connection with the said real and personal property or any part thereof.

To Have and To Hold the same unto the Mortgagee, its successors and assigns, forever.

And the Mortgagor does hereby covenant to and with the Mortgagee, that he is lawfully seized in fee simple of the said real property, that he is the absolute owner of the said personal property, that the said real and personal property is free from encumbrances of every kind and nature, and that he will warrant and forever defend the same against the lawful claims and demands of all persons whomsoever.

This conveyance is intended as a mortgage to secure performance of the covenants and agreements herein contained, to be by the Mortgagor kept and performed, and to secure the payment of the sum of \$ 7,000.00

and interest thereon in accordance with the tenor of a certain promissory note executed by

****Don V. Berry and Kathleen E. Berry****

dated January 8, 1979, payable to the order of the Mortgagee in installments not less than

\$ 155.42, each, Including interest, on the 7th day of each Month

commencing February 7, 1979, until January 7, 1984

when the balance then remaining unpaid shall be paid.

The Mortgagor does hereby covenant and agree to and with the Mortgagee, its successors and assigns:

1. That he will pay, when due, the indebtedness hereby secured, with interest, as prescribed by said note, and all taxes, liens and utility charges upon said premises or for services furnished thereto.

2. That he will not commit or permit strip or waste of the said premises or any part thereof; that he will keep the real and personal property hereinabove described in good order and repair and in tenantable condition; that he will promptly comply with any and all municipal and governmental rules and regulations with reference thereto; that if any of the said property be damaged or destroyed by any cause, he will immediately reconstruct or repair the same so that, when completed, it shall be worth not less than the value thereof at the time of such loss or damage; provided, that if such loss or damage shall be caused by a hazard against which insurance is carried, the obligation of the Mortgagor to repair or reconstruct shall not arise unless the Mort-

gagee shall consent to the application of insurance proceeds to the expense of such reconstruction or repair.

3. That he will, at his own cost and expense, keep the building or buildings now or hereafter upon said premises, together with all personal property covered by the lien hereof, insured against loss by fire and against loss by such other hazards as the Mortgagee may from time to time require, in one or more insurance companies satisfactory to or designated by the Mortgagee in an aggregate amount not less than the amount of the indebtedness hereby secured (unless the full insurable value of such building or buildings is less than the amount hereby secured, in which event the Mortgagor shall insure to the amount of the full insurable value); that all policies of insurance upon said premises, including policies in excess of the amount hereinabove mentioned and policies against other hazards than those required, shall contain such provisions as the Mortgagee shall require and shall provide, in such form as the Mortgagee may prescribe, that less shall be payable to the Mortgagee; that all such policies and receipts showing full payment of premiums therefor shall be delivered to and retained by the Mortgagee during the existence of this mortgage, that at least 5 days prior to the ex-

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piration of any policy or policies he will deliver to the Mortgagee satisfactory renewals thereof together with premium receipts in full; that if any policy or policies shall impose any condition upon the liability of the insurer or shall contain any "average clause" or other provision by which the insurer may be liable for less than the full amount of the loss sustained, he will, as often as the Mortgagee may require, provide the Mortgagee with all such evidence as it may request concerning the performance of such condition or the existence of any facts or the value of the property insured and, if it shall appear to the Mortgagee that the insurance is prejudiced by the acts or omissions of the Mortgagor or that the coverage is inadequate, the Mortgagor will do such acts and things and obtain such further insurance as the Mortgagee may require; that the Mortgagee may, at its option, require the proceeds of any insurance policies upon the said premises to be applied to the payment of the indebtedness hereby secured or to be used for the repair or reconstruction of the property damaged or destroyed.

4. That he will execute or procure such further assurance of his title to the said property as may be requested by the Mortgagee.

5. That in case the Mortgagor shall fail, neglect or refuse to do or perform any of the acts or things herein required to be done or performed, the Mortgagee may, at its option, but without any obligation on its part to do, and without waiver of such default, procure any insurance, pay any taxes or liens or utility charges, make any repairs, or do any other of the things required, and any expenses so incurred and any sums so paid shall bear interest at 10% per annum and shall be secured hereby.

6. That he will not, without the prior written consent of Mortgagee, transfer his interest in said premises or any part thereof, whether or not the transferee assumes or agrees to pay the indebtedness hereby secured. Upon any application for Mortgagee's consent to such a transfer, Mortgagee may require from the transferee such information as would normally be required if the transferee were a new loan applicant. Mortgagee shall not unreasonably withhold its consent. As a condition of its consent to any transfer, Mortgagee may, in its discretion, impose a service charge not exceeding one percent of the original amount of the indebtedness hereby secured and may increase the interest rate on the indebtedness hereby secured by not more than one percent per annum.

7. That, if any default be made in the payment of the principal or interest of the indebtedness hereby secured or in the performance of any of the covenants or agreements of this mortgage, the Mortgagee may, at its option, without notice, declare the entire sum secured by this mortgage due and payable and foreclose this mortgage.

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8. That, in the event of the institution of any suit or action to foreclose this mortgage, the Mortgagor will pay such sum as the trial court and any appellate court may adjudge reasonable as attorney's fees in connection therewith and such further sums as the Mortgagee shall have paid or incurred for extensions of abstracts or title searches or examination fees in connection therewith, whether or not final judgment or decree therein be entered and all such sums are secured hereby and, in any such suit, the court may, upon application of the plaintiff and without regard to the condition of the property or the adequacy of the security for this indebtedness hereby secured and without notice to the Mortgagor or any one else, appoint a receiver to take possession and care of all said mortgaged property and collect and receive any or all of the rents, issues and profits which had theretofore arisen or accrued, which may arise or accrue during the pendency of such suit, that amount so received shall be applied toward the payment of the debt secured hereby, after first paying therefrom the charges and expenses of such receivership; but until a breach or default by the Mortgagor in one or more of his covenants or agreements herein contained, he may remain in possession of the mortgaged property and retain all rent actually paid to and received by him prior to such default.

9. The word "Mortgagor", and the language of this instrument, where there is more than one mortgagor, be construed as if the word "Mortgagor" shall apply to any holder of this mortgage. Male shall include feminine and neuter. All of the covenants of the Mortgage shall be binding upon his heirs, executors, administrators, assigns and assigns and more to the benefit of the Mortgagee. In the event of any transfer of the property hereon secured by any part thereof or any interest therein, whether voluntary or involuntary or by operation of law, the Mortgagee may, without notice to the Mortgagor or any one else, once or often, extend the time of payment and grant renewals of indebtedness hereby secured for any term not exceeding leases or partial releases from the lien of this mortgage or to any other respect modify the terms hereof without thereby affecting the primary liability of the Mortgagor for the payment of the indebtedness hereby secured. No condition of this mortgage shall be waived, except unless the same be expressly waived in writing by the Mortgagee. Whenever any notice, demand, or request is required by the terms hereof, by any law now in existence or hereafter enacted, such notice, demand or request shall be sufficient if personally served on one or more of the persons who shall at the time hold record title to the property hereon described or if enclosed in a postpaid envelope addressed to one or more of such persons or to the Mortgagor at the last address actually furnished to the Mortgagee or at the mortgaged premises and deposited in any post office, station or letter box.

IN WITNESS WHEREOF, said Mortgagor has executed this indenture the day and year first above written.

Don V. Berry
Kathleen E. Berry

CORPORATE ACKNOWLEDGEMENT

STATE OF OREGON, County of _____, 19____ ss.

Personally appeared _____
and _____
who being duly sworn, did say that he, _____
is the _____
and he, _____
is the _____

a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation (provided said corporation has such seal) and that said instrument was signed and sealed on behalf of said corporation by its voluntary act and deed. Before me:

Notary Public for Oregon _____ Seal
My commission expires: _____

STATE OF OREGON

County of Klamath ss.

January 8, 19 79

Personally appeared the above named ****Don V. Berry**
and **Kathleen E. Berry****

and acknowledged the foregoing instrument to be

Their voluntary act and deed.
Before me:
(SEAL) *[Signature]*
Notary Public for Oregon
My commission expires 8-27-82

MORTGAGE

DON V. BERRY

KATHLEEN E. BERRY

AFTER RECORDATION RETURN TO:
FIRST NATIONAL BANK OF OREGON
South Sixth Street Branch
P.O. Box 238
Klamath Falls, Oregon 97601

STATE OF OREGON,)
County of Klamath)

Filed for record at request of

Klamath County Title Co.

on this 15th day of January, A.D. 1979

at 3:10 o'clock P. M. and duly

recorded in Vol. 479 of Mortgages

page 1078

Wm D. MILNE, County Clerk

[Signature]

Fee \$6.00