



93251
UNITED STATES NATIONAL
BANK OF OREGON

FTE
MORTGAGE

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Mortgagor ("Owner"): Carl Lee Perry
Donna Lee Perry
Owner's Address: 1227 Oregon Avenue
Klamath Falls, Oregon 97601

Date: November 25, 1980, 1980
Klamath Falls, Oregon
Mortgagee ("Lender"):
United States National Bank of Oregon
Address: 74 Main Street
Klamath Falls, Oregon 97601

1. Owner mortgages to Lender, on the terms set out below, the following "Property" in Klamath County, State of Oregon, including all improvements now and hereafter erected thereon:

Lot 3, Block 10
Fairview Addition #2
Klamath County
State of Oregon

2. This Mortgage secures the repayment of all amounts owed on a loan evidenced by a promissory note ("Note") signed by Carl Lee Perry and Donna Lee Perry ("Borrower") which is payable to Lender. This Note is dated Nov. 25, 1980; the original Loan Amount is \$ 2,410.01, and the last payment is due 12-1-81.

Lender may without notice renew or extend the Note, and this Mortgage shall secure all such extensions and renewals whether or not the extensions and renewals are longer than the original period of the Note.

3. Owner agrees to perform all acts necessary to insure and preserve the value of the Property and Lender's interest in it, including but not limited to the following acts:

3.1 Owner will keep the Property in good condition and repair. Unless Lender expressly waives the requirement in writing, Owner will insure the Property, by policies payable to Lender under Lender's loss payable endorsement, for fire and extended coverage, and also against all other risks that Lender may require. The amount of insurance must be enough to pay 100% of any loss, up to the balance owed on the loan, despite the effect of any co-insurance clause. Owner will provide Lender with proof of such insurance satisfactory to Lender. Lender may inspect the Property at any time.

3.2 Owner will not sell or otherwise transfer any interest in the Property, or offer to do so, without Lender's written consent.

3.3 Owner will pay all taxes, assessments, liens and other encumbrances on the Property which might take priority over this Mortgage when they are due.

4. If Owner fails to perform any of the agreements made in Section 3, Lender may pay for the performance of the agreements and add the cost to the Loan Amount, on which interest is calculated. Owner will pay Lender the cost immediately or in increased payments, whichever Lender demands.

5. The following are events of default under this Mortgage:

5.1 The promised payment amounts on the Note are not paid by the promised payment dates, or there is a failure to perform any agreement in the Note.

5.2 Owner fails to perform any of the agreements made in Section 3, whether or not Lender has paid for the performance of the agreement.

5.3 There is a default under any other agreement that secures the Note.

5.4 Any signer of this mortgage or any signer of the Note misrepresented or falsified any material fact in regard to either the Property, the financial condition of any signer of the Note or any guarantor or surety for the Note, or the application for the loan evidenced by the Note.

5.5 The property is damaged, destroyed, sold, levied upon, seized, attached, or is the subject of any foreclosure action.

5.6 Any signer of this Mortgage, any signer of the Note, or any guarantor or surety for the Note, dies, becomes insolvent, makes an assignment for creditors or is the subject of any bankruptcy or receivership proceeding.

5.7 Any partnership or corporation that has signed the Note or this mortgage, or is a guarantor or surety for the Note, dissolves or terminates its existence.

6. After default, Lender may take one or more of the following actions at Lender's option, without notice to Owner:

6.1 Lender may continue to charge interest on the unpaid part of the Loan Amount at the rate of interest specified in the Note.

6.2 Lender may declare the entire unpaid amount owed on the loan, including interest, to be due and payable immediately.

6.3 Lender may, with respect to all or any portion of the Property, exercise the right to foreclose

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this Mortgage by judicial foreclosure in accordance with applicable law.

6. Lender may, by agent or by court-appointed receiver, enter upon, take possession of and manage the Property, and collect the rents from the Property, and the Property, not then the farm land, or farm tract, or farm, or ranch, shall be entitled to any rents or proceeds, whether or not the apparent owner of the Property exceeds the amount that is owed under the Mortgage. The receiver shall serve a notice of sale, if the law permits it.

7. Lender shall be liable for all costs and expenses incurred in the foreclosure of this Mortgage, and shall be entitled to the law firm's fee for the cost of proceeding to collect the amount due under the Mortgage to foreclose upon the Property.

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9. The cost of all other under this Mortgage are in accordance with any other agreements or conditions of the Mortgage, and combination of those.

10. Lender shall be liable for all costs and expenses incurred in the foreclosure of this Mortgage, and shall be entitled to the law firm's fee for the cost of proceeding to collect the amount due under the Mortgage to foreclose upon the Property.

9. Lender may require Owner to perform all agreements precisely and on time, even if Lender may at other times have given Owner extra time or may not have required precise performance.

10. Lender will satisfy this Mortgage when the entire amount owed has been paid in full. However, Owner will pay the fee for filing the satisfaction.

11. If all or any part of the Property is condemned, Lender may at its election require that all or any portion of the net proceeds of the award be applied on the Note. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses and attorneys' fees necessarily paid or incurred by Owner and Lender in connection with the condemnation. If any proceedings in condemnation are filed, Owner shall promptly take such steps as may be necessary to defend the action and obtain the award.

12. Special provisions (if any):

Bonnie Lee Petty

CORPORATE ACKNOWLEDGMENT

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STATE OF OREGON

County of _____

that _____ and _____

do hereby certify that _____

is a duly authorized officer of _____

and that the Mortgage was voluntarily signed and sealed in the

presence of the _____ authority of its Board of Directors.

Notary Public for Oregon

My commission expires _____

RECEIVED

RECEIVED FOR RECORD

Frontier Title Co.

2nd _____

19____

P. _____

19____

RECORDED