



11. The balance of this note is transferable to another person or persons, provided that all persons who may become in name, and  
as to the original borrower, to the original terms and conditions of this note, and that the new holder of the property securing this loan after July 30, 1968, shall be subject to the same terms and conditions as the original holder, or to a veteran eligible for a loan under ORS 407.010 to  
407.210 and Article XI-A of the Oregon Constitution Note and Covenants set forth in this instrument, in accordance with the provisions of this paragraph.  
This note has been suspended until July 1, 1987. Any transfer of a property between July 3, 1968, and July 1, 1987, will not be counted as a transfer under the 1963 "Due on Sale" law. However,  
transferred properties between July 3, 1968, and July 2, 1987, may become due on sale with the next transfer after July 1, 1987.  
The mortgagor 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 mortgagor given before the expenditure is made,  
shall cause the entire indebtedness at the option of the mortgagor to become immediately due and payable without notice and this  
mortgage subject to foreclosure.

The failure of the mortgagor 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 mortgagor 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 mortgagor 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.

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

IN WITNESS WHEREOP, the mortgagors have set their hands and seals this 20th day of December 1985

*William S. Erickson III* (Seal)

*Patti L. Erickson* (Seal)

#### ACKNOWLEDGMENT

STATE OF OREGON,

County of Klamath } ss.

Before me, a Notary Public personally appeared the within named WILLIAM S. ERICKSON, III and  
PATRICK ERICKSON, his wife and acknowledged the foregoing instrument to be their voluntary  
act and deed.

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

*Kristie L. Redd*  
Notary Public for Oregon

My Commission expires 11/16/87

#### MORTGAGE

FROM TO Department of Veterans' Affairs

M69151  
Loan Number

STATE OF OREGON,

County of } ss.

County Records, Book of Mortgages,

No. Page, on the day of , County

By Deputy

Filed at o'clock M. in the County of BEND, Oregon, on the day of JUNE, 1985, by the undersigned, a Notary Public in and for the State of Oregon, and acknowledged to me that he is the person whose name is affixed to this instrument.

After recording return to DEPARTMENT OF VETERANS' AFFAIRS, 155 NE 11th Avenue, Portland, Oregon 97232.

Bend OR 97701

202AS

MOLE AND WORKER

WES TRASCHE

SOSOS

20704

The following described real property is situated in Klamath County, Oregon,  
being more particularly described as follows:

Exhibit "A"  
Beginning at an iron pipe driven at a point in the Southerly line produced  
Eastwardly of Second Avenue of Altamont Acres, as shown on the plat of the  
same on file in the office of the County Clerk of Klamath County, said point  
being 20.0 feet distant Westerly from the intersection of the said Southerly  
line of Second Avenue produced and the line marking the Easterly boundary of  
the SW<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub> of Section 3, Township 39 South, Range 9 East of the Willamette  
Meridian, and from which point an iron pipe marking the initial point of the  
survey of the Townsend Tracts as shown on the plat of the same on file in the  
office of the said County Clerk of Klamath County, bears North 26° 41' East  
44.14 feet distant; thence North 89° 16' West along the said Southerly line  
of Second Avenue produced 140.35 feet; thence South 33° 37' East 255.17 feet;  
thence North 0° 15' West along a line parallel with and 20.0 feet distant  
Westerly from the said line marking the Easterly boundary of the said SW<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub>  
of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, 210.65  
feet to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of \_\_\_\_\_  
of December A.D. 19 85 at 4:02 o'clock P M., and duly recorded in Vol. M85 day  
of Mortgages on Page 20702  
FEE \$13.00  
EVELYN BIEHN County Clerk  
By *Serutha Shiehn*