

... This note is intended only to cover any amount of money borrowed between July 1, 1986 and July 1, 1987, will not be treated as a transfer under the 1983 "Das on Sale" law. However, if the mortgagor dies or becomes disabled, the note will be treated as a transfer under the provisions of that paragraph.

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 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 this covenant.

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.

WORDING: 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 20th day of March, 1987.

Douglas Alan Storey (Seal)
Gloria May Storey (Seal)

\$1300.00 AM FOR VETERAN LOAN FUNDING
NOTICE NO. 123-1303

ACKNOWLEDGMENT

STATE OF OREGON,

County of Klamath

Before me, a Notary Public, personally appeared the within named DOUGLAS ALAN STOREY and GLORIA MAY
STOREY, his wife and acknowledged the foregoing instrument to be their voluntary
and free 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 _____
STATE OF OREGON,
County of Klamath

TO Department of Veterans' Affairs

P18217
Loan Number

I certify that the within was received and duly recorded by me in Klamath County Records, Book of Mortgages,
No. M87, Page 4670, on the 20th day of March, 1987. Evelyn Bishn, County Clerk
By: Jean Smith, Deputy.

Filed March 20, 1987 at o'clock 1:36 P.M.

After recording return to:
DEPARTMENT OF VETERANS' AFFAIRS
155 NE Revere
Bend OR 97701

Fee: \$9.00

RECEIVED IN CLERK'S OFFICE
MAY 13 1987

4250

