

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 of the mortgage. If 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 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.

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 20th day of March, 1987.

Douglas Alan Storey
 Douglas Alan Storey (Seal)

Gloria May Storey
 Gloria May Storey (Seal)

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



Krista L. Fidd
 Notary Public for Oregon

My Commission expires 11/16/87

FROM
 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. M87 Page 4670, on the 20th day of March, 1987.
 By Evelyn Biehn, County Clerk

Filed March 20, 1987 at o'clock 3:36 P.M.
 County Clerk, Evelyn Biehn, Deputy

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

Fee: \$9.00

Ron Smith
 Deputy

NOTE AND NOBLOVER

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