

1999 SEP 16 PM 12:33

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MORTGAGE (SECURING WEATHERIZATION INSTALLMENT LOAN AGREEMENT)

THIS MORTGAGE is made this SEPTEMBER day of 3RD, 1999, by VANDERGRAAF, SHEILA ("Mortgagor"), whose address is 2143 OGDEN ST KLAMATH FALLS, OR 97603 to AVISTA CORP., a Washington corporation ("Mortgagee"), whose address is 1411 East Mission Avenue, P.O. Box 3727, Spokane, WA 99220-3727.

WITNESSETH, that in consideration of TWENTY THREE HUNDRED SEVENTY SIX DOLLARS & 76/100 Dollars (\$2376.76), Mortgagor does hereby grant, bargain, sell and convey unto Mortgagee and its successors and assigns, that certain real property situated in County of KLAMATH, State of Oregon, described as follows, to-wit:

SEE ATTACHED

together with all and singular the buildings, improvements, fixtures, tenements, hereditaments and appurtenances now or hereafter located thereupon or belonging or in anywise appertaining thereunto and all rents, issues and profits therefrom, including without limitation all proceeds of insurance and condemnation awards, TO HAVE AND TO HOLD unto Mortgagee and its successors and assigns forever.

Mortgagor is indebted to Mortgagee in a principal amount equal to the amount set forth above under the Weatherization Installment Loan Agreement(s) dated 09/03, 1999 (the "Agreement(s)"), and this Mortgage shall secure the payment and performance of all indebtedness and obligations of Mortgagor presently existing or hereafter arising under the Agreement(s) and this Mortgage. The date of maturity of the indebtedness secured by this Mortgage is the date on which the last scheduled principal payment becomes due, to-wit 10/3/09. If any payment under the Agreement(s) is not made within 15 days after its due date, Mortgagee agrees to pay a \$5.00 late charge.

Mortgagor agrees to pay before delinquency all taxes, assessments, charges, liens or encumbrances upon said premises. If Mortgagor shall fail to pay any taxes, charges, liens, or encumbrances as provided above, Mortgagee may at its option do so, and any such payment shall become a part of the indebtedness secured by this Mortgage, and shall bear interest at the rate provided in the Agreement(s), without waiver of any other remedy of Mortgagee for failure by Mortgagor to perform its obligations hereunder.

NOW, THEREFORE, if Mortgagor shall pay all indebtedness (including all principal, interest and other amounts) and perform all obligations under the Agreement(s) and this Mortgage according to their terms, this conveyance shall be void, but otherwise shall remain in full force as a mortgage to secure such payment and performance, it being agreed that upon a failure to pay or perform any such indebtedness or obligation when due, Mortgagee shall have the option to declare all indebtedness secured hereby immediately due and payable, without notice of any kind (which notice Mortgagor hereby waives), and this Mortgage may be foreclosed by Mortgagee at any time thereafter in the manner prescribed by law. Mortgagee shall have the right to become the purchaser at any foreclosure sale, whether public or private. Mortgagor agrees to pay all costs of Mortgagee to collect the indebtedness secured by this Mortgage and to foreclose this Mortgage, including without limitation title report and search costs, Statutory costs and disbursements and reasonable attorney's fees, whether Suit is brought or not. Any judgment shall bear interest at the maximum lawful rate.

In the event of any sale or transfer, whether voluntary or involuntary, of any part of said premises or any interest therein without Mortgagee's prior written consent, to the extent permitted by applicable law all indebtedness secured hereby shall become immediately due and payable, without notice of any kind to Mortgagor (which notice Mortgagor hereby waives).

This Mortgage shall bind the heirs, executors, administrators, successors and assigns of Mortgagor and inure to the benefit of Mortgagee and its successors and assigns.

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

MORTGAGOR ACKNOWLEDGES RECEIPT
OF A COPY OF THIS MORTGAGE.

MORTGAGOR

GMAC mortgage

P.O. Box 780 Waterloo, IA

50704-0780

STATE OF OREGON)

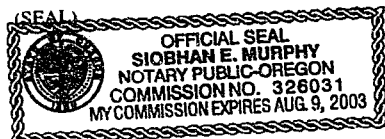
County of Klamath)

This instrument was acknowledged before me on

September 08

1999 by

Sheila Vandergraaf



Arthur E. Murphy

Notary Public for Oregon

My commission expires:

Aug 9, 2002

150

36988

EXHIBIT "A"
LEGAL DESCRIPTION

A parcel of land situate in the N1/2 SW1/4 NW1/4 in Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point 720 feet East and 660 feet North of an iron pin driven into the ground near the fence corner at the Southwest corner of the Northwest quarter of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, on the property of Otis V. Saylor, said pin being at the Southwest corner of said property abutting on the Dalles-California Highway, and which pin is East 30 feet from the center of a road intersecting the Dalles-California Highway from the North, and which pin is North 30 feet from the center of said Highway; thence East 270 feet; thence North 66 feet; thence West 720 feet; thence South 66 feet to the point of beginning.

State of Oregon, County of Klamath
Recorded 9/16/99, at 12:33 p.m.
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Linda Smith,
County Clerk Fee \$ 15.00