

NOV 14 3 41 PM 1969

NOTE AND MORTGAGE

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VOI 2269 PAGE

THE MORTGAGOR, Barton Dennis Brown, a single man,

mortgages to the STATE OF OREGON, represented and acting by the Director of Veterans' Affairs, pursuant to ORS 407.030, the following described real property located in the State of Oregon and County of Klamath

69-1547
PARCEL 1: The E $\frac{1}{4}$ E $\frac{1}{2}$ E $\frac{1}{2}$ of Section 16, EXCEPT a small tract described as follows: Starting at a point on the Northeast right of way line of the Klamath Falls-Lakeview Highway 400 feet South of the Northeast corner of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 16; thence North along the Section line common to Sections 16 and 15 a distance of 400 feet; thence West along the line common to the NE $\frac{1}{4}$ and SE $\frac{1}{4}$ of said Section 16 a distance of 123 feet; thence South 310 feet to said right of way line of said Klamath Falls-Lakeview Highway; thence South-easterly along said right of way line to the POINT OF BEGINNING, also that part of the W $\frac{1}{2}$ E $\frac{1}{2}$ of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 16 South of the right of way of the O.C. & E. Railroad, EXCEPT right of way for highways, railroads and U.S.R.S. canal as presently located thereon, ALSO the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 15, EXCEPT right of ways for highways, railroads and U.S.R.S. canals as presently located thereon, ALSO the E $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 21, EXCEPT right of ways for U.S.R.S. canal as presently located thereon, ALSO that part of the W $\frac{1}{2}$ NW $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 22, lying North of the U.S.R.S. canal as presently located thereon, and ALL said real estate in Township 39 South, Range 10 East of the Willamette Meridian.

PARCEL 2: The SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ and Lot 3 of Section 21; ALSO beginning at the Southeast corner of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 21; thence West 80 rods; thence North 42 rods; thence East 80 rods; thence South 42 rods to the PLACE OF BEGINNING, and being in Township 39 South, Range 10 East of the Willamette Meridian, ALSO ALL of the W $\frac{1}{2}$ of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 21, Township 39 South, Range 10 East of the Willamette Meridian lying North of that certain tract deeded to Adah Brown, described on page 125, Volume 26, Deed Records of Klamath County, Oregon, ALSO ALL of the W $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 16, Township 39 South, Range 10 East of the Willamette Meridian, EXCEPT the right of way for the U.S.R.S. East Branch Canal as now constructed across this tract.

together with the tenements, hereditaments, rights, privileges, and appurtenances including roads and easements used in connection with the premises; electric wiring and fixtures; furnace and heating system, water heaters, fuel storage receptacles; plumbing, ventilating, water and irrigating systems; screens, doors, window shades and blinds, shutters, cabinets, built-ins, linoleum and floor coverings, built-in stoves, electric sinks, air conditioners, refrigerators, freezers, dishwashers; and all fixtures now or hereafter installed in or on the premises; and any shrubbery, flora, or timber now growing or hereafter planted or growing thereon; and any replacements of any one or more of the foregoing items, in whole or in part, all of which are hereby declared to be appurtenant to the land, and all of the rents, issues, and profits of the mortgaged property.

to secure the payment of Seventy One Thousand One Hundred Fifty and No/100-----Dollars

(\$71,150.00-----), and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON Seventy One Thousand One Hundred Fifty and No/100-----Dollars (\$71,150.00-----), with interest from the date of initial disbursement by the State of Oregon, at the rate of four percent per annum on a principal balance of \$50,000.00----- or less and 5.2 percent per annum on the principal balance in excess thereof, principal and interest to be paid in lawful money of the

United States at the office of the Director of Veterans' Affairs in Salem, Oregon, as follows: \$4,381.00----- on or before December 15, 1970----- and \$4,381.00 on each December 15th-----

thereafter, plus ----- the ad valorem taxes for each successive year on the premises described in the mortgage, and continuing until the full amount of the principal, interest and advances shall be fully paid, such payments to be applied first as interest on the unpaid principal, the remainder on the principal.

The due date of the last payment shall be on or before December 15, 1998.

In the event of transfer of ownership of the premises or any part thereof, I will continue to be liable for payment and the balance shall draw interest as prescribed by ORS 407.070 from date of such transfer.

This note is secured by a mortgage, the terms of which are made a part hereof.

Dated at Klamath Falls, Oregon

November 14, 1969

Barton Dennis Brown

The mortgagor or subsequent owner may pay all or any part of the loan at any time without penalty.

The mortgagor covenants that he owns the premises in fee simple, has good right to mortgage same, that the premises are free from encumbrance, that he will warrant and defend same forever against the claims and demands of all persons whomsoever, and this covenant shall not be extinguished by foreclosure, but shall run with the land.

MORTGAGOR FURTHER COVENANTS AND AGREES:

1. To pay all debts and moneys secured hereby;
2. Not to permit the buildings to become vacant or unoccupied; not to permit the removal or demolition of any buildings or improvements now or hereafter existing; to keep same in good repair; to complete all construction within a reasonable time in accordance with any agreement made between the parties hereto;
3. Not to permit the cutting or removal of any timber except for his own domestic use; not to commit or suffer any waste;
4. Not to permit the use of the premises for any objectionable or unlawful purpose;
5. Not to permit any tax, assessment, lien, or encumbrance to exist at any time;
6. Mortgagee is authorized to pay all real property taxes assessed against the premises and add same to the principal, each of the advances to bear interest as provided in the note;
7. To keep all buildings unceasingly insured during the term of the mortgage, against loss by fire and such other hazards in such company or companies and in such an amount as shall be satisfactory to the mortgagee; to deposit with the mortgagee all such policies with receipts showing payment in full of all premiums; all such insurance shall be made payable to the mortgagee; if the mortgagor fails to effect the insurance, the mortgagee may secure the insurance and the cost shall be added to the principal, deemed a debt due and shall be secured by this mortgage; insurance shall be kept in force by the mortgagor in case of foreclosure until the period of redemption expires;

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8. Mortgagee shall be entitled to all compensation and damages received under right of eminent domain, or for any security voluntarily released, same to be applied upon the indebtedness;
9. Not to lease or rent the premises, or any part of same, without written consent of the mortgagee;
10. To promptly notify mortgagee in writing of a transfer of ownership of the premises or any part or interest in same, and to furnish a copy of the instrument of transfer to the mortgagee; any purchaser shall assume the indebtedness, and purchasers not entitled to a loan or 4% interest rate under ORS 407.010 to 407.210 shall pay interest as prescribed by ORS 407.070 on all payments due from the date of transfer; in all other respects this mortgage shall remain in full force and effect, no instrument of transfer shall be valid unless same contains a covenant of the grantee whereby the grantee assumes the covenants of this mortgage and agrees to pay the indebtedness secured by same.

The mortgagee 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 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 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 mortgage is 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 14 day of November, 1969

Barton Dennis Brown (Seal)

(Seal)

(Seal)

ACKNOWLEDGMENT

STATE OF OREGON,

County of Klamath

November 14, 1969

Before me, a Notary Public, personally appeared the within named Barton Dennis Brown, a single man,

known to me, and acknowledged the foregoing instrument to be his voluntary act and deed.

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

April V. McDonald
Notary Public for Oregon

My Commission expires April 4, 1971

MORTGAGE

L-71650-P

FROM TO Department of Veterans' Affairs

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. M-69 Page 9596 on the 14th day of NOVEMBER, 1969 WM D. MILNE County CLERK

By *Charles K. Horstman*, Deputy.

Filed 3:41 at o'clock P.M.

County KLAMATH

By *Charles K. Horstman*, Deputy.

After recording return to:
DEPARTMENT OF VETERANS' AFFAIRS
General Services Building

kjs Salem, Oregon 97310

Form L-4

FEE \$ 3.00

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