

A-20794

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NOTE AND MORTGAGE

VOL. 171 PAGE 2260

THE MORTGAGOR, JAMES E. CHILDERS and EVA M. CHILDERS, husband

and wife,

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:

The West 70 feet of Lot 4 and the East 15 feet of Lot 5 in Block 3 of WEST HILLS HOMES according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon.

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-in, linoleums and floor coverings, built-in stoves, ovens, 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 Seventeen Thousand Nine Hundred Fifty and no/100 ----- Dollars

(\$17,950.00 -----), and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON Seventeen Thousand Nine Hundred Fifty and no/100 ----- Dollars (\$17,950.00 -----), 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 \$18,500.00 ----- or less and 6.4 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: \$100.00 ----- on or before May 1, 1971 ----- and \$100.00 on the 1st of each month ----- thereafter, plus one-twelfth of ----- 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 April 1, 1994. 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

March 4, 1971

James E. Childers
Eva M. Childers

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 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;

(If executed by a corporation, affix corporate seal)
STATE OF OREGON
County of Klamath
March 4, 1971
Personally appeared
James E. Childers and
Eva M. Childers, and acknowledged their
signatures before me,
Notary Public for Oregon

