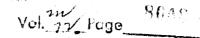
Service S



## NOTE AND MORTGAGE

OF 3/1 THE MORTGAGOR.

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Theren C. Gorden and Helene M. Gorden husband and wife

mortgages to the STATE OF OREGON, represented and acting by the Director of Veterans' Affairs, pursuant to ORS 407 030, the follow-Klamath ing described real property located in the State of Oregon and County of

The Southerly 63.13 feet of the East 263.38 feet of Tract 21, and the Northerly 10 feet of the East 263.38 feet of Tract 22 All in HOMEDALE, Klamath

to secure the payment of Twenty Thousand Three Hundred and no/100-----20,300.00----...), and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON Twenty Thousand Three Hundred and no/100----

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 balance, the remainder on the principal.

The due date of the last payment shall be on or before August 15, 1997-----

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

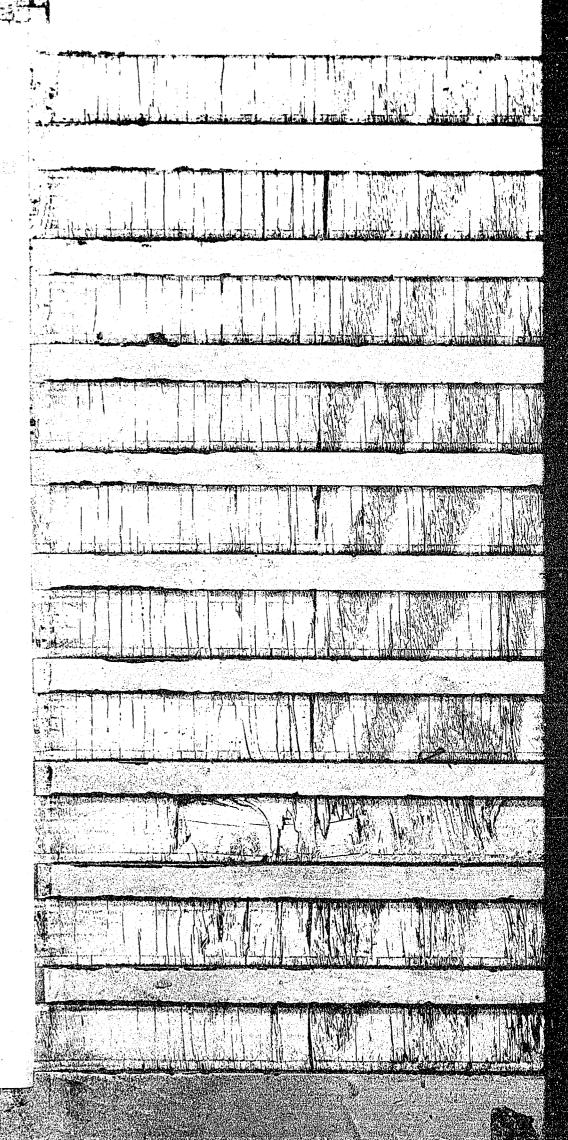
Dated at Klamath Falks, Oregon

July 20, 1972

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

MORTGAGOR FURTHER COVENANTS AND AGREES:

- 1. To pay all debts and moneys secured hereby;
- 2. Not to permit the buildings to become vacunt or unoccupied; not to permit the removal or demolishment 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;
- 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; when the principal is a provided in the note; when the principal is a provided in the note; when the principal is a provided in the note; when the principal is a provided in the note; when the principal is a provided in the note; when the principal is a provided in the note; when the principal is a provided in the note; when the note is a provided in the note is a provi
- 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 pramiums; all such insurance shall be made payable to the mortgagee; insurance shall be kept in force by the mortgager in case of foreclosure until the period of redemption expires;



- Morigages shall be satisfied to all compensation and damages received under right of eminent domain, or for any security voluntarily released, same to be applied upon the indebtedness;
   Not to lease or rent the premises, or any part of same, without written consent of the morigages;
   To promptly notify morigages in writing of a transfer of ownership of the premises or any part or interest in same, and to
- 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; a purchaser 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.

The mortgages 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 forcelosure.

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 mortgage 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.

WORDS: The masculine shall be deemed to include the feminine, and the singular the plural where such connotations are applicable herein.

	Thomas Co Theres	(Seal)
Jarato W. WESLEY		(Seal)
Moran Public for Oregon		(Seal)
and an amountains and an artist of the second secon		
A	CKNOWLEDGMENT	
TATE OF OREGON.  County of Klamath	<b>SS.</b>	
	Theron C. Gorden and Helene M.	Gorde
Before me, a Notary Public, personally appeared		
	his wife, and acknowledged the foregoing instrument to be their vol	luntary
ct and deed.  WITNESS by hand and official seal the day and		
	My Commission expires 1-20-76	regon 3
	MORTGAGE	
FROM	MORTGAGE  L- 91367  L- Morting To Department of Veterans' Affairs	
FROMSTATE OF OREGON,	<u>1-91367</u>	
County of KLAMATH		
STATE OF OREGON,  KLAMATH  County of		rtgages,
STATE OF OREGON,  KLAMATH  County of	TO Department of Veterans' Affairs    Section 201367   1.   91367   1.     91367	ortgages,
I certify that the within was received and duly  No. M. 72. Page 8048, on the 24th day of	TO Department of Veterans' Affairs    Second of Mathematics	ortgages,
I certify that the within was received and duly	TO Department of Veterans' Affairs    Section	

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Section 2