

A-23390

THE MORTGAGOR, Julius George Lusky Jr. and Barbara J. Lusky

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 following described real property situate in Klamath County, Oregon: PARCEL 1: Beginning at the iron pin which marks the Northwest corner of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 7, Township 38 South, Range 9 East of the Willamette Meridian and which also lies North along the quarter line a distance of 1333.2 feet from the iron axle which marks the $\frac{1}{4}$ corner common to Sections 7 and 18, Twp. 38 S., R. 9 E.W.M., and running thence South 89°44' East along the forty line a distance of 372.5 feet to a point; thence South 59°53' West a distance of 561.5 feet to an iron pin; thence North 6°02' East a distance of 286.19 feet to a point on the forty line; thence South 89°39' East along the forty line a distance of 82.96 feet, more or less, to the point of beginning, said tract containing 1.5 acres, more or less, in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ and SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 7, Township 38 South, Range 9 E.W.M. PARCEL 2: Beginning at the iron pin which marks the Southeast corner of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 7, Township 38 South, Range 9 East of the Willamette Meridian and running thence North 89°39' West along the forty line a distance of 82.96 feet to a point; thence North 6°02' East a distance of 766.41 feet to a point; thence South 89°49' East a distance of 2.62 feet to a point on the quarter line; thence South along the quarter line a distance of 763.97 feet, more or less, to the point of beginning, said tract containing 0.75 acres, more or less, in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 7, Township 38 South, Range 9 E.W.M. PARCEL 3: Beginning at the iron pipe which marks the center of Section 7, Township 38 South, Range 9 East of the Willamette Meridian and running thence South along the quarter line a distance of 1333.2 feet to an iron pin which is the Southwest corner of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 7; thence South 89°44' East along the forty line a distance of 372.5 feet to a point; thence North 59°53' East a distance of 1104 feet to a point on the forty line; thence North 0°18' East along the forty line a distance of 775 feet to an iron pin which marks the Northeast corner of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 7; thence North 89°49' West along the quarter line a distance of 1331.1 feet, more or less, to the point of beginning, said tract containing 34.54 acres, more or less, in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 7, Township 38 South, Range 9 E.W.M. PARCEL 4: Beginning at the iron pipe which marks the center of Section 7, Township 38 South, Range 9 East of the Willamette Meridian and running thence North along the quarter line a distance of 620.44 feet to an iron pin; thence East a distance of 156 feet to a point; thence

North parallel to the quarter line a distance of 388.66 feet to a point on the Southerly right of way line of the County Road; thence following the Southerly right of way line of the County Road in a Southerly direction of its intersection with the Easterly forty line of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 7; thence South 0°18' West along the forty line a distance of 216.9 feet to an iron pin which marks the Southeast corner of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 7; thence North 89°49' West along the quarter line a distance of 1331.1 feet, more or less, to the point of beginning, said tract containing 20.7 acres, more or less, in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 7, Township 38 South, Range 9 E.W.M. PARCEL 5: Beginning at a point which lies South 89°43' East along the forty line a distance of 759.0 feet from the iron pin which marks the Northwest corner of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 7, Township 38 South, Range 9 East of the Willamette Meridian and running thence South 0°52' East a distance of 532.3 feet to a point which lies on the Northerly right of way line of the 60-foot County Road; thence in a Southeasterly direction following the Northerly right of way line of the County Road to its intersection with the Easterly forty line of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 7; thence North 0°18' East along the forty line a distance of 1016.1 feet to an iron pin which marks the Northeast corner of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 7; thence North 89°43' West along the forty line a distance of 579 feet, more or less, to the point of beginning; There is reserved from this Parcel No. 5 a strip of land 40 feet wide along the Easterly side of this tract leaving a net acreage of 9.1 acres, more or less, in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 7, Township 38 South, Range 9 E.W.M. PARCEL 6: Beginning at an iron pin which lies North a distance of 664.6 feet and South 59°53' West a distance of 77.2 feet from the iron axle which marks the $\frac{1}{4}$ section corner common to Section 7 and 18 of Township 38 South, Range 9 East of the Willamette Meridian and running thence continuing South 59°53' West a distance of 112 feet to an iron pin; thence North 6°02' East a distance of 481.7 feet to an iron pin; thence North 59°53' East a distance of 112 feet to an iron pin; thence South 6°02' West a distance of 481.7 feet, more or less, to the point of beginning, said tract containing 1 acre, more or less, in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 7, Township 38 South, Range 9 E.W.M. PARCEL 7: Beginning at an iron pin which lies North a distance of 664.6 feet from the iron axle which marks the quarter section corner common to Sections 7 and 18, Township 38 South, Range 9 E.W.M.; thence South 59°53' West a distance of 77.2 feet; thence North 6°02' East a distance of 481.7 feet to an iron pin; thence North 59°53' East a distance of 112 feet; thence South 6°02' West a distance of 481.7 feet to an iron pin; thence South 59°53' West a distance of 34.8 feet to point of beginning, located in SE $\frac{1}{4}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 7, Township 38 South, Range 9 E.W.M.

2. Not to permit the buildings to become dilapidated or to require repairs; 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; insurance shall be kept in force by the mortgagor in case of foreclosure until the period of redemption expires;

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, ventilation, water and irrigating systems; screens, doors, window shades and blinds, shutters, cabinets, built-ins, 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 Thirty Two Thousand Six Hundred and no/100 Dollars

\$32,600.00, and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON Thirty Two Thousand Six Hundred and no/100 Dollars \$32,600.00, with interest from the date of initial disbursement by the State of Oregon, at the rate of 5.9 percent per annum until such time as a different interest rate is established pursuant to ORS 407.072, 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:

\$199.00 on or before October 1, 1973 and \$199.00 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 balance, the remainder on the principal.

The due date of the last payment shall be on or before September 1, 2001.

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 Kamiah Falls July 24, 1973 Barbara J. Lusky

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; 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; 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 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 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 day of 19.....

Julius George Lusky (Seal)
Barbara J. Lusky (Seal)

ACKNOWLEDGMENT

STATE OF OREGON,

County of Klamath } ss.

Before me, a Notary Public, personally appeared the within named

Barbara J. Lusky

....., his wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

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

My Commission expires 8-5-75

MORTGAGE

L- M00337-P

FROM TO Department of Veterans' Affairs

STATE OF OREGON,

County of Klamath } ss.

I certify that the within was received and duly recorded by me in Klamath County Records, Book of Mortgages,

No. M 73 Page 9527, on the 24 day of JULY 1973, at 11:06 A.M. Klamath County CLERK

By *Hazel Dragil* Deputy.

Filed JULY 24th 1973 at o'clock 11:06 P.M.

Klamath Falls, Oregon

County Clerk

By *Hazel Dragil* Deputy.

After recording return to:
 DEPARTMENT OF VETERANS' AFFAIRS
 General Services Building
 Salem, Oregon 97310

Form L-4 (Rev. 5-71)