

2-23856

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NOTE AND MORTGAGE

84558

THE MORTGAGOR, Harold E. Balin and Joan Balin, 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

All the following described real property situate in Klamath County, Oregon:

SE 1/4 of Section 11;

SW 1/4 NW 1/4, W 1/2 SW 1/4, Portion of SE 1/4 SW 1/4 lying North of canal, and that Portion of the SE 1/4 SW 1/4 lying South of canal in Section 12;

NW 1/4 NE 1/4, and the following described parcel; Beginning at the Northwest corner of the NW 1/4 NW 1/4 of Section 13; thence South along the West line of said Section 13, 15 chains; thence East 40 chains to a point 15 chains South of the Northeast corner of the NE 1/4 NW 1/4 of Section 13; thence North 15 chains; thence West 40 chains to the point of beginning, being 60 acres off the North side of the N 1/2 NW 1/4, in Section 13.

All in Township 40 South, Range 9 East of the Willamette Meridian.

Saving and excepting any portion lying within Homestead Road together with all easements, rights, privileges, and heating system, water heaters, fuel storage receptacles, plumbing, with the premises; electric wiring and fixtures; stoves, sinks, and heating system, water heaters, fuel storage receptacles, plumbing, ventilating, water and irrigating systems; screens, doors, window shades and blinds, shutters, cabinets, built-ins, linoleums and floor coverings, built-in stoves, ovens, electric stoves, 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 replacement 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 Forty Thousand and no/100 Dollars

40,000.00 and interest thereon, and as additional security for an existing obligation upon which there is a balance of Thirty Five Thousand Six Hundred Fifty Nine and 25/100 Dollars (\$ 35,659.25).

evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON, Thirty Five Thousand Six Hundred Fifty Nine and 25/100 Dollars (\$ 35,659.25), with interest from the date of initial disbursement by the State of Oregon, at the rate of 4 percent per annum, interest from the date of initial disbursement by the State of Oregon, at the rate of 4 percent per annum, interest from the date of initial disbursement by the State of Oregon, at the rate of 4 percent per annum, Forty Thousand and no/100 Dollars (\$ 40,000.00), 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: 4670.00 on or before December 1, 1973 and 4670.00 annually thereafter, plus the ad valorem taxes for each successive year on the premises described in the mortgage, and continuing until the amount of the principal, interest and advances shall be fully paid, such payments to be applied first to interest on the unpaid principal, the remainder on the principal.

The due date of the last payment shall be on or before December 1, 1997.

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 13, 1973

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

This mortgage is given in conjunction with and supplementary to that certain mortgage by the mortgagors herein to the State of Oregon, dated April 12, 1965 (Mortgage Volume) 485 Mortgage Records for Klamath County, Oregon, which was given to secure the payment of a note in the amount of 40,000.00 and this mortgage is also given as security for an additional advance in the amount of 40,000.00 together with the balance of indebtedness covered by the previous note, and this new note is evidence of the entire indebtedness.

The mortgagor covenants that he owns the premises in fee simple, has good right to mortgage same, that the premises are free from encumbrances, that he will warrant and defend same forever against the claims and demands of all persons whatsoever, 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, nor to permit the removal or demolition of any buildings or improvements now or hereafter existing, or 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, nor 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. Mortgagor 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, improvements, and contents insured during the term of the mortgage against loss by fire and such other hazards in such amounts as shall be determined by the mortgagor, to deposit with the mortgagee all such insurance policies, and to keep the same in full force and effect until the period of redemption expires.

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6. Mortgages 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 401.070 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.

This instrument is being re-recorded because of an error in the payment dates.
This is one and the same mortgage as filed for recording dated November 13, 1973,
in Volume M73, Page 15048 and 15049, Klamath County Mortgage Records, Klamath County,
Oregon.

IN WITNESS WHEREOF, The mortgagors have set their hands and seals this 13 day of November 1973

Harold E. Balin (Seal)
Joan Balin (Seal)

ACKNOWLEDGMENT

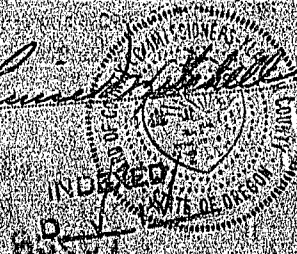
STATE OF OREGON
County of Klamath
Before me, a Notary Public, personally appeared the within named Harold E. Balin and Joan Balin,
his wife and acknowledged the foregoing instrument to be their voluntary act and deed.

Opel V. McDonald
Notary Public for Oregon
My Commission expires April 4, 1975

MORTGAGE

TO Department of Veterans' Affairs
FROM
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. 73 Page 15048, the 14 day of November, 1973
By *Wm. D. Milne* Deputy
Filed Nov. 14, 1973 at 1:06 P.M.
County Klamath Co. Clerk

After recording return to:
DEPARTMENT OF VETERANS' AFFAIRS
General Services Building
1307 West Main
Medford, OR 97501
Fee 4.00



16394

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Klamath County Title
this 27th day of Dec. A. D. 1973 at 11:18 clock AM., and
duly recorded in Vol. M73, of Mortgages on Page 16392

Fee \$6.00

Wm D. MILNE, County Clerk

Lucia Anita