1-24236

NOTE AND MORTGAGE

RICKY LOUIS UTLEY AND LINDA MARGARET UTLEY THE MORTGAGOR,

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: Lot 7, Block 5, First Addition to Kelene Gardens, Klamath Falls, Oregon.

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to secure the payment of Seventeen Thousand Five Hundred Seventy Five and no/100------Dollars

(\$17,575.00----, and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON Seventeen Thousand Five Hundred Seventy Five and initial disbursement by the State of Oregon, at the rate of 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: 113.00---- on or before May 1, 1974---- and \$113.00 on the 1st 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.

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.

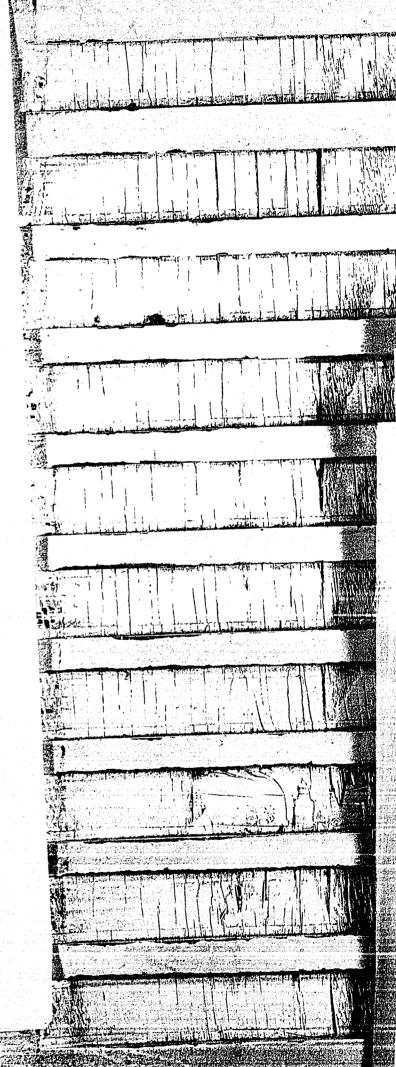
This note is secured by a mortgage, the terms of which are made a part hereof.

Klamath Falls, Oregon. Ricky Louis Utley

Linda Margaret Utley

MORTGAGOR FURTHER COVENANTS AND AGREES:

- 1. To pay all debts and moneys secured hereby;
- Not to permit the buildings to become vacant or unoccupied; not to permit the removal or den
 provements now or hereafter existing; to keep same in good repair; to complete all construit
 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;
- 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;
- 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 company or companies and in such an amount as shall be satisfactory to the mortgagee; to deposit with the mortgagee all such insurance shall be made payable to the mortgage; policies with receipts showing payment in full of all premiums; all such insurance shall be kept in force by the mortgagor in case of foreclosure until the period of redemption expires;



- 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;

The mortgages may, at his option, in case of default of the mortgagor, perform same in whole or in part and all expenditures in so doing including the employment of an attorney to secure compliance with the terms of the mortgage or the note shall interest at the rate provided in the note and all such expenditures shall be immediately repayable by the mortgagor without and shall be secured by this mortgagor without

IN WITNESS WHEREOF, The mortgagors have set th	eir hands and seals this 5th day of March 19.74
	Rich Lozie 200 (Seal)
	(Seal)
ACKN	OWLEDGMENT
STATE OF OREGON, County of Klamath	\$\$\$
Before me, a Notary Public, personally appeared the w	Ithin named Ricky Louis Utley and
Linda Matgaret Utley , his wife act and deed. WITNESS by hand and official seal the day and year la	e, and acknowledged the foregoing instrument to be their voluntary
	Notary Rubife for Order
	My Commission expires 8-5-75
	ORTGAGE
FROM	TO Department of Veterans' Affairs
STATE OF OREGON, County of KLAMATH	\$1. \tag{5.5}
I certify that the within was received and duly recorde	d by me in KIAMATH County Records, Book of Mortgages,
No. M 74 Page 3138, on the 6th day of MARC	
By Hay Dray	Deputy, as a transfer of the control
Filed MARCH 6th 1974 at o'cle Klamath Falls, Oregon County Clerk	By Harf Dearly, Deputy.
After recording return to: DEPARTMENT OF VETERANS' AFFAIRS General Services Building Salem, Oregon 97310	FEE \$ 11.00

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Form L-4 (Rev. 5-71)