

6012

NOTE AND MORTGAGE

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THE MORTGAGOR JOHN BURGESS ROSS and MAY LOUISE ROSS, husband and wife,

mortgages to the STATE OF OREGON, represented and acting by the Director of Veterans Affairs, pursuant to ORS 407.070, 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:
A tract of land lying in the S 1/2 S 1/2 SE 1/4 of Section 12, Township 39 South, Range 9 E.W.M., more particularly described as follows: Beginning at a point 30 feet North and 30 feet West of the Southeast corner of the SE 1/4 SE 1/4 of Section 12, Township 39 South, Range 9 E.W.M., said point being the true point of beginning for this description; thence running Northerly along the State Highway 300 feet; thence running Westerly and parallel to the Section line between Sections 12 and 13, 378.67 feet, more or less; thence Southerly 318.45 feet; thence Easterly along said line 477.33 feet, more or less, to the true point of beginning.

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 irrigation systems; screens, doors, window shades and blinds; shutters; cabinets; built-in, freestanding and floor covering; 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 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 Fifteen Thousand Nine Hundred Eighty Eight and no/100 Dollars (\$15,988.00) and interest thereon, and as additional security for an existing obligation upon which there is a balance owing of Thirteen Thousand Six Hundred Twenty Five and 50/100 Dollars (\$13,625.50);

evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON, Thirteen Thousand Six Hundred Twenty Five and 50/100 Dollars (\$13,625.50) with interest from the date of initial disbursement by the State of Oregon at the rate of 4.0 percent per annum; and I promise to pay to the STATE OF OREGON, Fifteen Thousand Nine Hundred Eighty Eight and no/100 Dollars (\$15,988.00) 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: \$174.00 on or before October 15, 1975 and \$174.00 on the 15th of each month thereafter, plus one-twelfth of the arrearages 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 to interest on the unpaid principal, the remainder on the principal.

The due date of the last payment shall be on or before September 15, 2000.

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

October 10 1975

X John Burgess Ross

X May Louise Ross

This mortgage 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 August 2, 1971 and recorded in Book 471, page 8118, Mortgage Records of Klamath County, Oregon, which was given to secure the payment of \$15,146.00 and this mortgage is given as security for an additional advance in the amount of \$15,988.00 together with the balance of money then covered by the previous note, and this new note is evidence of the entire indebtedness.

The mortgagors covenant that the premises are simple, freehold land, to wit, that the premises are not subject to any lien, claim, or demand of any person, and that the mortgagors have no knowledge of any such lien, claim, or demand.

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8. 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 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 its 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 on 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 407.016 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 407.000.

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 10 day of October, 1975

X John Burgess Ross (Seal)

X May Louise Ross (Seal)

ACKNOWLEDGMENT

STATE OF OREGON

County of Klamath

Before me, a Notary Public, personally appeared the within named JOHN BURGESS ROSS and MAY LOUISE

ROSS

his wife and acknowledged the foregoing instrument as their voluntary act and deed.

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

Susan Kay Way
Notary Public for Oregon
My commission expires 6/1/77

My Commission expires

MORTGAGE

M30321

FROM

TO Department of Veterans Affairs

STATE OF OREGON

County of Klamath

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

on 10 day of OCTOBER, 1975 WM. D. HILKE

Hazel Dugan Deputy

NOTARY PUBLIC

My commission expires

County of Klamath

My commission expires

My commission expires

My commission expires

My commission expires