43888

NOTE AND MORTGAGE VC. 78

THE MORTGAGOR,

PATRICK W. KOSSMAN AND MARY E. KOSSMAN, 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

Lot 22 in Block 8, ELDORADO ADDITION TO THE CITY OF KLAMATH FALLS, Klamath County,

together with the tenements, heriditaments, rights, privileges, with the premises; electric wiring and fixtures; furnace and heating system, water heaters, fuel storage receptacles; plumbing, whilst and irrigating systems; screens, doors, window shades and blinds, shutters; cabinets, built-ins, linoleums and floor coverings, built-sistoves, overs, electric sinks, air controllers, refrigerators, freezers, dishwashers; and all fixtures now or hereafter 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 Twenty Thousand and no/100----

(\$ 20,000.00----), and interest thereon, evidenced by the following promissory note:

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

\$128.00----on or before May 1, 1978----first 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

The due date of the last payment shall be on or before April 1, 2003-----In the event of transfer of ownership of the premises or any part thereof, I will continue to be hable 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

Patrick W. Kossman Mary E. Kossman

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 tee simple, has good right to mortgage same, that the premises are tree 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 demolishment of any buildings or in-provements now or hereafter existing; to keep same in good tepair, to complete all construction within a reasonable time in accordance with any agreement made between the parties hereto.
- 3. Not to pecuit 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 mortgager, to deposit with the mortgager all such policies with receipts showing payment in full of all premiums, all such insurance shall be made payable to the mortgager in case of forcelosure until the period of redemption expires.

- 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;
- 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 407.076 25 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 draw interest at the rate provided in the note and all such expenditures shall be immediately repayable by the mortgagor without

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, 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 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

DI 100-0-0		
IN WITNESS WHEREOF, The mort	gagors have set their hands and seals this 25 day of talorvary	19 7 8
	(12)(1)	, 19 /
	Patrick & Sough.	
	Nossman	(Seal)
	Mary El Kossman	(Scal)
		(Seal)
	ACKNOWLEDGMENT	
STATE OF OREGON.		
County ofKlamath	}·ss.	
Before me, a Notary Public, personally	y appeared the within named Patrick W. Kossman and Mary	Е.
Kossman	, his wife, and acknowledged the foregoing instrument to method in	
-		luntary
WITNESS by hand and official seal the	day and year last above written.	
	DONNA K. RICK	
	My Commission Expires Protection 2	reton
	My Commission expires	
	MORTGAGE	
FROM	. M83054	
	TO Department of Veterans' Affairs	***************************************
STATE OF OREGON,		
County of Klamath	SS.	
I certify that the within was received and	at duty recorded by me in Klamath	
		cages,
page 3035, on the 18t day.	March, 1978 WM. D. MILNE Klamath County Clerk	
By Dernetha & Letoth	Deputy.	-
Filed March 1, 1978	at o'clock 10:59 A _M	
Klamath Falls, Oregon	•	
County Klamath	By Timulard Jelich De	
After 'secording return to: DEPARTMENT OF-VETERANS' AFFAIRS General Services Building Salem, Oregon 97310	7 /6 Fee \$6.00:	puty

Form L-4 (Rev. 5-71)