

54648

NOTE AND MORTGAGE

T/A 38-15287-5
Vol. 178 Page 19850

THE MORTGAGOR: DOUGLAS C. HARTMAN and KAREN E. HARTMAN, husband

and wife

mortgages to the STATE OF OREGON, represented and acted 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 23, WINEMA GARDENS, in the County of Klamath, State of Oregon.

together with the improvements, heretofore and thence, 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 irrigating systems, screens, doors, window shades and blinds, shutters, cabinets, built-ins, linoleums and floor coverings, built-in stoves, ovens, electrical and air conditioning, refrigerators, freezers, dishwashers, and all fixtures now or hereafter installed in or on the premises, and any plant, trees, shrubs, or timber now growing or hereafter planted or growing thereon; and any improvements 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 roves, houses, and profits of the mortgaged property;

to secure the payment of Forty Two Thousand Five Hundred and no/100 Dollarsat 4.2,500.00 and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON Forty Two Thousand Five Hundred and no/100 Dollars (\$ 42,500.00), with interest from the date of initial disbursement by the State of Oregon, at the rate of 5.0 percent per annum until such time as a different interest rate is established pursuant to ORS 407.032, principal and interest to be paid in lawful money of the United States in the office of the Director of Veterans' Affairs in Salem, Oregon, as follows:

\$53.00 on or before November 15, 1978 and 253.00 on the 15th of each month thereafter, plus one-twelfth of the ad valorem taxes for each successive year on the premises covered by the mortgage, and accumulating until the full amount of the principal, interest and advances shall be fully paid, each payment to be applied first as interest on the unpaid balance, the remainder on the principal.

The due date of the first payment shall be on or before October 15, 2008.

In the event of transfer of ownership of the premises or any part thereof, it will continue to be liable for payment and the balance shall come interest as provided by ORS 407.032 from date of such transfer.

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

Signed at Klamath Falls, Oregon

September 5th 1978

Douglas C. Hartman
Douglas C. Hartman
Karen E. Hartman
Karen E. Hartman

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

The mortgagor warrants that he owns the premises in fee simple, has good right to mortgage same, that the premises are free from encumbrances, that he will convey and defend against same, and defend the claims and demands of all persons whomsoever, and this covenant shall not be distinguished by the fact that the land shall not be used for the land.

MORTGAGOR FURTHER COVENANTS AND AGREES:

1. To pay all debts and charges against him or her;
2. Not to permit the buildings to become vacant or abandoned, and to permit the removal or demolition of any buildings or improvements now or hereafter existing on the premises in good repair, to complete all construction within a reasonable time in accordance with any agreement to be entered into with the lender;
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 be made interest as provided in the note;
7. To keep all buildings continuously insured during the term of the mortgage against loss by fire and such other hazards in such amounts as may be required by the lender, and to deposit with the mortgagee all such insurance 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 mortgagee on each of the premises until the period of redemption expires;

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1. 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 to the indebtedness.

2. Not to lease or rent the premises, or any part of same, without written consent of the mortgagee.

3. To properly notify mortgagee by writing of a transfer of ownership of the premises or any part or interest in same, and to 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 expense of an attorney to secure compliance with the terms of the mortgage or the note shall bear 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 on 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 mortgagee 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 herein.

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 467.010 to 467.020 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 467.020.

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 5th day of September, 19 78

Douglas C. Hartman (Seal)
Douglas C. Hartman (Seal)
Karen E. Hartman (Seal)

ACKNOWLEDGMENT

STATE OF OREGON

County of Klamath

Before me, a Notary Public, personally appeared the within named Douglas C. Hartman and

Karen E. Hartman

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

WITNESS my hand and official seal this 5th day of September, 19 78

[Signature]
 Notary Public for Oregon

My Commission expires 4-5-82

MORTGAGE

FROM

TO Department of Veterans' Affairs

L M96492

STATE OF OREGON

County of Klamath

Know all men that the within was received and duly recorded by me as Klamath County Records, Book of Mortgages,

on 16th day of September, 1978 Wm. D. Milne Klamath County Clerk

by [Signature] Deputy

Wit: September 3, 1978 at 10:48 AM

Klamath Falls, Oregon

County Klamath

by [Signature] Deputy

After recording return to:
 DEPARTMENT OF VETERANS' AFFAIRS
 General Services Building
 Salem, Oregon 97330

Fee \$6.00