[illegible]

55885 NOTE AND MORTGAGE Vol. m78 Page [illegible]

THE MORTGAGOR, [illegible] J. MICKLE AND RUTH M. MICKLE, 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

A tract of land situated in Lot 11 of ALTAMONT SMALL FARMS, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a point that is North 100 feet from the Southeast corner of Lot 11, said point being on the East line of said Lot 11; thence continuing North along the said East line, 100 feet; thence West 350 feet parallel to the South line of said lot; thence South parallel to the East line of said Lot, 100 feet; thence East parallel to the South line of said Lot, 350 feet to the 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 irrigating systems; screens, doors; window shades and blinds, shutters; cabinets, built-ins, linoleums and floor coverings, built-in stoves, ovens, electric sinks, 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 Twenty Six Thousand and no/100 Dollars

($26,000.00) and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON Twenty Six Thousand and no/100 Dollars ($26,000.00) 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:

$159.00 on or before November 15, 1978 and $159.00 on the 15th 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 principal.

The due date of the last payment shall be on or before October 15, 2006

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

September 29th 19 78

Milborn J. Mickle

MILBORN J. MICKLE

Ruth M. Mickle

RUTH M. MICKLE

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 fee simple, has good right to mortgage same, that the premises are free 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 improvements now or hereafter existing; to 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; 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 mortgagee; to deposit with the mortgagee all such policies 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 mortgagor in case of foreclosure until the period of redemption expires;

[illegible]

21784

8. [illegible] under right of eminent domain, or for any security voluntarily [illegible];

9. [illegible] without written consent of the mortgagee;

10. [illegible] of the premises or any part or interest in same, and to [illegible] shall pay interest as prescribed by ORS 407.070 on [illegible] this mortgage shall remain in full force and effect.

[illegible] in whole or in part and all expenditures [illegible] the terms of the mortgage or the note shall [illegible] repayable by the mortgagor without [illegible].

[illegible] of the expenditure of any portion of the loan for purposes [illegible] before the expenditure is made, [illegible] due and payable without notice and this [illegible].

[illegible] will not constitute a waiver of any right arising from a breach of the covenants.

[illegible] for the cost of a title search, attorney fees, and all other costs [illegible].

[illegible] shall have the right to enter the premises, take possession, [illegible] upon the indebtedness and the mortgagee shall [illegible].

[illegible] upon the heirs, executors, administrators, successors and assigns of the respective parties [illegible].

[illegible] to the provisions of Article XI-A of the Oregon Constitution, ORS [illegible] and to all rules and regulations which have been [illegible] to the provisions of ORS 407.020.

WORDS: [illegible] the singular the plural where such connotations are applicable herein.

IN WITNESS WHEREOF, [illegible] 29th day of September 1978

Milborn J Mickle (Seal)
MILBORN J. MICKLE

(Seal)

Ruth M. Mickle (Seal)
RUTH M. MICKLE

ACKNOWLEDGMENT

STATE OF OREGON,
County of Klamath } ss.

Before me, a Notary Public, personally appeared the within named Milborn J. Mickle and Ruth M. Mickle his wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

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

[illegible signature]
Notary Public for Oregon

My Commission expires 2/13/81

MORTGAGE

L- M98201

FROM Milborn J. Mickle & Ruth M. Mickle TO Department of Veterans' Affairs

STATE OF OREGON,
County of Klamath } ss.

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

No. M78 Page 21783 on the 29th day of Sept. 1978 Wm. D. Milne County Clerk

By [illegible signature] Deputy.

Filed Sept. 29, 1978 at o'clock 3:58 P.M.
Klamath Falls, Ore.
County Klamath

By Bernetha G. Letsch Deputy.

Fee: $6.00

After recording return to:
DEPARTMENT OF VETERANS' AFFAIRS
General Services Building
Salem, Oregon 97310

[illegible]

53593