

57093

A-31008

THE MORTGAGOR,

NOTE AND MORTGAGE

Leland L. Cheyne and Bonita H. Cheyne
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:

EXHIBIT A Attached

Vol. 78 Page 23675

to secure the payment of Four Thousand Three Hundred Fifty Nine and no/100 Dollars (\$4,359.00), and interest thereon, and as additional security for an existing obligation upon which there is a balance owing of Fifty Three Thousand Nine Hundred Twenty Eight and no/100 Dollars (\$53,928.00), evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON: Four Thousand Three Hundred Fifty Nine and no/100 Dollars (\$4,359.00), with interest from the date of initial disbursement by the State of Oregon, at the rate of 5.9 percent per annum, Fifty Three Thousand Nine Hundred Twenty Eight and no/100 Dollars (\$53,928.00), with interest from the date of initial disbursement by the State of Oregon, at the rate of 5.9 percent per annum.

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: \$3,875.00 on or before August 15th, thereafter, plus

\$3,875.00 on each August 15th on or before August 15, 2018 and 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 principal, 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

Dated at Klamath Falls, Oregon 18 October 20 1978

Leland L. Cheyne
Bonita H. Cheyne

Mortgagee: Leland L. CheyneMortgagor: Bonita H. CheyneDated at Klamath Falls, Oregon 18 October 20 1978Mortgagee: Leland L. CheyneMortgagor: Bonita H. CheyneDated at Klamath Falls, Oregon 18 October 20 1978Mortgagee: Leland L. CheyneMortgagor: Bonita H. CheyneDated at Klamath Falls, Oregon 18 October 20 1978Mortgagee: Leland L. CheyneMortgagor: Bonita H. CheyneDated at Klamath Falls, Oregon 18 October 20 1978Mortgagee: Leland L. CheyneMortgagor: Bonita H. CheyneDated at Klamath Falls, Oregon 18 October 20 1978Mortgagee: Leland L. CheyneMortgagor: Bonita H. CheyneDated at Klamath Falls, Oregon 18 October 20 1978Mortgagee: Leland L. CheyneMortgagor: Bonita H. CheyneDated at Klamath Falls, Oregon 18 October 20 1978Mortgagee: Leland L. CheyneMortgagor: Bonita H. CheyneDated at Klamath Falls, Oregon 18 October 20 1978Mortgagee: Leland L. CheyneMortgagor: Bonita H. CheyneDated at Klamath Falls, Oregon 18 October 20 1978Mortgagee: Leland L. CheyneMortgagor: Bonita H. 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8. Mortgagor 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 mortgagor;

10. To promptly notify mortgagor 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 mortgagor; 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 mortgagor 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 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 or the expenditure of any portion of the loan for purposes other than those specified in the application, except by written permission of the mortgagor given before the expenditure is made, shall cause the entire indebtedness at the option of the mortgagor to become immediately due and payable without notice and this mortgage subject to foreclosure.

The failure of the mortgagor 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 mortgagor 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 mortgagor 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 applicable herein.

IN WITNESS WHEREOF, The mortgagors have set their hands and seals this 70 day of October, 1978.

Leland L. Cheyne
Leland L. Cheyne
(Seal)

Bonita H. Cheyne
Bonita H. Cheyne
(Seal)

(Seal)

ACKNOWLEDGMENT

STATE OF OREGON, }
County of Klamath, } ss
Date of acknowledgment: November 1, 1978
Klamath }
County of

Leland L. Cheyne and Bonita H. Cheyne

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

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

Notary Public for Oregon

My Commission expires 8-5-79

MORTGAGE

L M98873

FROM _____ TO Department of Veterans' Affairs

STATE OF OREGON }
County of _____ }
{ 35.

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

No. _____ Page _____ on the _____ day of _____ County _____

By _____ Deputy _____

Filed _____ at o'clock _____ M.

County _____ By _____ Deputy _____

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

EXHIBIT A

23677

PARCEL 1

The SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 2, Township 40 South, Range 9 East of the Willamette Meridian.

PARCEL 2

A portion of Section 3, Township 40 South, Range 9, East of the Willamette Meridian, more particularly described as follows:

Starting at the section corner common to Sections 3, 4, 9, and 10, Township 40 South, Range 9 East of the Willamette Meridian; thence North 89°50'30" East a distance of 1314.24 feet to the point of beginning; thence South 89°50'30" West a distance of 49.10 feet; thence North 1°02'30" East a distance of 1071.98 feet; thence North 89°55'30" East a distance of 661.30 feet; thence South 0°11'30" East a distance of 392.29 feet to the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$; thence South 89°50'30" West along said line a distance of 649.24 feet; thence South 1°02'30" West a distance of 678.69 feet, more or less, to the point of beginning. All measurements are based on Survey Map #1430, filed in the office of the County Engineer on January 5, 1970.

PARCEL 3

The S $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ and NE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 3, Township 40 South, Range 9 East of the Willamette Meridian.

SAVING AND EXCEPTING: Starting from the section corner common to Sections 3, 4, 9, and 10, Twp. 40 S, R. 9 E.W.M.; thence North 89°50'30" East a distance of 2610.84 feet; thence North 0°11'30" West a distance of 1069.73 feet to the point of beginning; thence North 0°11'30" West a distance of 267.44 feet; thence South 89°57'30" West a distance of 661.30 feet; thence South 0°11'30" East a distance of 267.71 feet; thence North 89°55'30" East a distance of 661.30 feet, more or less, to the point of beginning. All measurements are based on Survey Map #1430 filed in the office of the County Engineer on January 5, 1970.

EXCEPTING THEREFROM: Any portion of the above described property which may lie within the boundaries of the Right of Way of the Oregon State Highway #432.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Klamath County Title Co.

This 20th day of October A.D. 1978 at 3:55 o'clock P.M., am.

Justly recorded in Vol. M78, of Mortgages on Page 23675

Wm D. MILNE, County Clerk

Fee \$9.00

By *Bernard Milne*