

NOTE AND MORTGAGE

76351

THE MORTGAGOR, EARL W. PETERS and MARCIA H. SEYVERTSEN, tenants in common

County of Klamath

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

Lots 132 and 133 of THIRD ADDITION TO SPORTSMAN PARK, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

County of Klamath

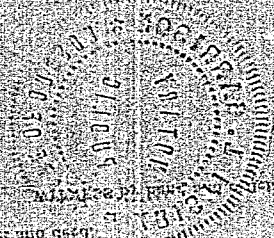
STATE OF OREGON

LEGON

MOBIEVEE

W. Commissioner Exhibit

THIS IS TO CERTIFY



before me a Notary Public, duly qualified and sworn, and acting in and for the State of Oregon, do hereby certify that the foregoing instrument is a true and correct copy of the original as the same appears to me.

County of Klamath

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 Fifty Eight Thousand and no/100 Dollars

(\$ 58,000.00), and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON Fifty Eight Thousand and no/100 Dollars, \$58,000.00, 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:

\$345.00 on or before January 1, 1980 and \$345.00 on the 1st 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 December 1, 2009.

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 November 1, 1979

EARL W. PETERS
MARCIA H. SEYVERTSEN

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 any liens or claims that he will warrant and defend same 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 demolition 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;

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;

10. To promptly notify mortgagee in writing of a transfer of ownership of the property.

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 all costs and expenses incurred in connection with such foreclosure.

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 407.020 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 407.020.

WORDS: The masculine shall be deemed to include the feminine, and the singular the plural where applicable herein.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the State of Oregon this 14th day of August, 1964.

GOVERNOR

IN WITNESS WHEREOF, The mortgagors have set their hands and seals at the City of New York, this 1st day of June, 1960.

Marcia H. Seyvertsen

(Seal)

MARCIA H. SEYVERTSEN

(Seal)

Before me, a Notary Public, personally appeared the within named EARL W. PETERS and MARCIA H. SEYVERTSEN
 _____, his wife, and acknowledged the foregoing instrument to be their
 joint and several deed.

My Commission expires June 19, 1983

MORTGAGE

Page 25805 On the 1st day of November 1979 W. D. MILNE
County Records, Book of Mortgages,

By Bernetha Shetch Deputy.

NOTED AND FORWARDED
DATE - 8500 K
NO. 5000
52802