

NOTE AND MORTGAGE

THE MORTGAGOR,

John C. Frank and Constance A. Frank

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

That portion of the NW¹/₄ and Government Lot 5 in Section 8, Township 40 South, Range 10 East of the Willamette Meridian, lying West of the Great Northern Railroad right of way. SAVING AND EXCEPTION that portion deeded to the United States of America in Deed Volume 39 page 294, records of Klamath County, Oregon for canal purposes.

MORTGAGEE

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 Seven Thousand Five Hundred and no/100 Dollars (\$7,500.00), and interest thereon, and as additional security for an existing obligation upon which there is a balance owing of One Hundred Twenty Thousand Five Hundred and no/100 Dollars (\$120,500.00),

evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON:

One Hundred Twenty Eight Thousand and no/100 Dollars (\$128,000.00), 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 _____ percent per annum,

interest from the date of initial disbursement by the State of Oregon, at the rate of _____ 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: \$8,509.00 on or before June 1, 1980 and

\$8,509.00 on every June 1st thereafter, plus _____

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.

The due date of the last payment shall be on or before June 1, 2019

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

January, 1980

John C. Frank

Constance A. Frank

Constance A. Frank

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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; at the discretion of the mortgagee.
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 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 407.070 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 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 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 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 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 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 180 day of January, 180.

John C. Frank (Seal)
John C. Frank

Constance A. Frank (Seal)
Constance A. Frank

Constance A. Frank (Seal)

ACKNOWLEDGMENT

STATE OF OREGON,
County of Klamath Oregon } ss. 100

Before me, a Notary Public, personally appeared the within named John C. Frank
Constance A. Frank, 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.

Mildred L. Linn
Notary Public for Oregon

My Commission expires 07/19/82

MORTGAGE L..... P29088

FROM TO Department of Veterans' Affairs

STATE OF OREGON, } ss.
County of Klamath

I certify that the within was received and duly recorded by me in Klamath County Records, Book of Mortgages, No. M-80 Page 1425 on the 23rd day of January, 1980 County Klamath

By Jacqueline J. Mettlee Deputy.

Filed January 23, 1980 at o'clock 3:36 P.m.

County Klamath By Jacqueline J. Mettlee Deputy

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

Fee \$7.00