



35161

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NOTE AND MORTGAGE

THE MORTGAGOR. MELVERN F. BAUCK and SHARON L. BAUCK, 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 parcel of land in the NE1/4 NW1/4 of Section 23, Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning on the North line of Section 23, at a point which is 77 feet West of the Northeast corner of said NE1/4 of NW1/4; thence West along said North line 264 feet; thence South and parallel with the East line of said NE1/4 NW1/4 165 feet to that parcel deeded to Nellie A. Luttrell in M72 at page 117, Microfilm Records of Klamath County, Oregon; thence East and parallel with the North line of the NE1/4 NW1/4 to the beginning point of that parcel deeded in M74 at page 16319, Microfilm Records of Klamath County, Oregon, to Charley R. Holliday and Evelyn K. Holliday; thence North to the true point of beginning.

TOGETHER WITH easement for ingress and egress appurtenant to the herein described property, more particularly described as follows:

Beginning at a point N89°31'24"W, 77.00 feet and S0°40'29"W, 165.00 feet from the North 1/4 corner of Section 23, Township 39 South, Range 8 E.W.M., to an iron pin which is the True Point of Beginning; thence Southerly 296.00 feet along the East boundary line of the parcel of land described in the deed to Charley R. Holliday, etux, recorded December 27, 1974 in Volume M74, Page 16318, to the Southeast corner of said parcel; thence Southwesterly along the South boundary of said parcel 32 feet to a point; thence Northerly and parallel to the East line of above mentioned parcel to a point on the North boundary line of said Holliday parcel, which lies 30 feet west of the True Point of Beginning; thence Easterly along said North line of Holliday parcel, 30 feet, more or less, to the True Point of Beginning.

TOGETHER WITH THE FOLLOWING DESCRIBED MOBILE HOME WHICH IS FIRMLY AFFIXED TO THE PROPERTY: Year/1978, Make/Homette, Serial Number/038302681, Size/24x66.

to secure the payment of Forty Three Thousand Seven Hundred and no/100----- Dollars (\$43,700.00-----), and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON Forty Three Thousand Seven Hundred and no/100----- Dollars (\$43,700.00-----), 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:

\$279.00----- on or before July 15, 1980----- and \$279.00 on the 15th of every 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 June 15, 2005-----

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

May 27

1980

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 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 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.

The mobile home described on the face of this document is a portion of the property secured by this Note & Mortgage.

IN WITNESS WHEREOF, The mortgagors have set their hands and seals this 27th day of May, 1980

Melvern F. Bauck (Seal)

Sharon L. Bauck (Seal)

(Seal)

ACKNOWLEDGMENT

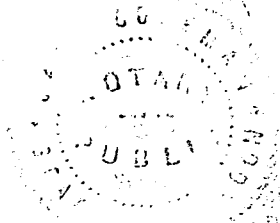
STATE OF OREGON,

County of Wallowa } ss.

Before me, a Notary Public, personally appeared the within named Melvern F. Bauck

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

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



Jack Coleman
Notary Public for Oregon
My Commission expires April 24, 1984

MORTGAGE

STATE OF OREGON,

County of Klamath } ss.

BE IT REMEMBERED, That on this 29th day of May, 1980, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Sharon L. Bauck

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that she executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

CAROLE TITUS
NOTARY PUBLIC - OREGON
My Commission Expires 5-6-84

Carole Titus
Notary Public for Oregon
My Commission expires 5-6-84

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STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Frontier Title Co.

this 5th day of June A. D. 1980 at 10:50 clock A M., and

duly recorded in Vol. M80, of Mortgages on Page 10208

Wm D. MILNE, County Clerk

Bernetha H. Hetch

Fee \$10.50