

STATE OF OREGON
MORTGAGE RECORDS
DELIVERAL OF DEEDS AND PLATTS
VETERANS' COUNTRY LAND CO.

NOTE AND MORTGAGE

ROBERT E. NEESER

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.

Lot 5, Block 10, TRACT NO. 1064, FIRST ADDITION TO GATEWOOD, in the County of Klamath, State of Oregon.

to secure the payment of Seventeen thousand five hundred nineteen and no/100----- Dollars (\$17,519.00-----), and interest thereon, and as additional security for an existing obligation upon which there is a balance

evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON: Seventeen thousand five hundred nineteen and no/100----- Dollars (\$17,519.00-----, with

interest from the date of initial disbursement by the State of Oregon, at the rate of 10.5----- percent per annum,

Forty thousand four hundred eighty-one and 28/100----- Dollars (\$40,481.28-----, with

interest from the date of initial disbursement by the State of Oregon, at the rate of 6.2----- percent per annum,

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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: \$427.00----- on or before September 15, 1983----- and

\$427.00 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 principal, the remainder on the principal.

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

August 18, 1983

Robert E. Neeser

ROBERT E. NEESER

The mortgagor or subsequent owner may pay all or any part of the loan at any time without penalty.

This mortgage is given in conjunction with and supplementary to that certain mortgage to the State of Oregon, dated April 10, 1979.

and recorded in Book M79, page 7908, Mortgage Records for Klamath County, Oregon, and is given for the sum of \$42,500.00, which was given to secure the payment of a note in the amount of \$42,500.00.

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:

- To pay all debts and money secured hereby;
- To allow the Representative of the Director of Veterans' Affairs of Oregon to make reasonable inspection of the premises during the life of the loan;
- Not to permit the building 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;
- Not to permit the cutting or removal of any timber except for his own domestic use; not to commit or suffer any waste;
- Not to permit the use of the premises for any objectionable or unlawful purpose;
- Not to permit any tax, assessment, lien, or encumbrance to exist at any time; if mortgagee is required to defend against a lawsuit to foreclose a lien or encumbrance, mortgagee may add any attorney fees or costs incurred to the principal, to bear interest as provided in the note; if mortgagee pays any taxes, assessments or other encumbrances, such payments may also be added to the principal, to bear interest as provided in the note;
- Mortgagee is entitled to all principal property taxes assessed against the premises and add same to the principal, each of the advances to bear interest as provided in the note; security for tax, fire or other hazard company or company and 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;
- To keep all buildings adequately insured during the term of the mortgage, against loss by fire and such other hazards in such company or companies and 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;

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