

44429

NOTE AND MORTGAGE

THE MORTGAGOR, LLOYD E. NELSON AND ANABEL NELSON

21494

Husband and Wife

mortgages to the STATE OF OREGON, represented and acting by the Director of Veterans' Affairs, pursuant to ORS 467.030, the following described real property located in the State of Oregon and County of Klamath

Lot 23 of WINEMA GARDENS, according to the official plat thereof on file in the office of Klamath County, Oregon.

together with the fixtures, hereditaments, rights, privileges, and appurtenances including roads and easements used in connection with the premises, electrical wiring and fixtures, furnace and heating system, water heater, fuel storage receptacles, plumbing, venturing, water and heating systems, pumps, electrical service panels, screens, doors, window shades and blinds, shutters, cabinets, built-in bookshelves and like conveniences, built-in shelves, ovens, electric sinks, air conditioners, refrigerators, freezers, dishwashers, and all fixtures now or hereinafter installed in or on the premises, and any improvements of any one or more of the foregoing items, in whole or in part, timber now growing or hereafter planted or growing between and any improvements 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 Twelve thousand eight hundred sixty-seven dollars & 95/100 --- Dollars
12,867.00, and interest thereon, and as additional security for an existing obligation upon which there is a balance
owing of Thirty-nine thousand thirty-two dollars & 95/100 --- Dollars (\$39,032.95),
evidenced by the following promissory note.

evidenced by the following phenomena:

I promise to pay to the STATE OF OREGON			
Thirty-nine thousand thirty-two dollars & 95/100-	Dollars \$ 39,032.95	with	
Interest from the date of initial disbursement by the State of Oregon, at the rate of	6.2	percent per annum,	
Twelve thousand eight hundred sixty-seven dollars & no/100-	Dollars \$ 12,867.00	with	
Interest from the date of initial disbursement by the State of Oregon, at the rate of	10.5	percent per annum	
Interest from the date of initial disbursement by the State of Oregon, at the rate of	Dollars \$	with	
Interest from the date of initial disbursement by the State of Oregon, at the rate of	Dollars \$	percent per annum,	
Interest from the date of initial disbursement by the State of Oregon, at the rate of	Dollars \$	with	
Interest from the date of initial disbursement by the State of Oregon, at the rate of	Dollars \$	percent per annum,	
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: \$ 382.00 on or before February 15, 1985 thereafter, plus one twelfth of \$ 382.00 on the 15th of each month 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 apportioned first as interest on the unpaid principal, the remainder on the principal. The due date of the last payment shall be on or before October 15, 2008 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

Digitized by srujanika@gmail.com Page number 27

Alfred F. Nelson

Anabel Nelson

The mortgagor or subsequent owner may pay all or any part of the loan at any time.

This mortgage is given in conjunction with and supplementary to that certain mortgage to the State of Oregon, dated September 5, 1978,
and recorded in Book M78, page 19850, Mortgage Records for Klamath County, Oregon,
which was given to secure the payment of a note in the amount of \$42,500.00.

and this mortgage is also given as security for an additional advance, in the amount of \$ 12,867.00, together with the balance of \$ 1,133.00,

The mortgagor covenants that he owns the premises as 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 whatsoever, and that the covenant shall not be extinguished by foreclosure, but shall run with the land.

MORTGAGOR FURTHER COVENANTS AND AGREEMENTS

- ARTICLE COVENANTS AND AGREEMENTS**

 1. To pay all debts and moneys secured hereby;
 2. To allow the Representatives of the Director of Veterans' Affairs of Oregon to make reasonable inspection of the premises during the life of the loan;
 3. 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;
 4. Not to permit the cutting or removal of any timber except for his own domestic use, not to commit or suffer any waste;
 5. Not to permit the use of the premises for any objectionable or unlawful purpose;
 6. Not to permit any tax, assessment, fees, or encumbrance to exceed at any time, if mortgagor is required to defend against a lawsuit to foreclose a lien or encumbrance, mortgagee shall add any attorney fees or costs incurred to the principal; to bear interest as provided in the note; if mortgagee pays any fees, taxes, assessments or other encumbrances, such payment may also be added to the principal; to bear interest as provided in the note;
 7. Mortgagor 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;
 8. To keep all buildings unceasingly insured during the term of the mortgage, against loss by fire and such other hazards as 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 damage or loss until the period of redemption expires;

Legal correct _____
Payment amount correct _____

21455

9. 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.
10. Not to lease or rent the premises, or any part of same, without written consent of the mortgagor.
11. The borrower must obtain prior written consent from the Director to transfer or mortgage or possession of property that is security for a loan obtained from the Department of Veterans' Affairs. Where such consent is given, borrower must promptly notify mortgagor in writing of a transfer of ownership of the premises or any interest in same, and furnish a copy of the instrument of transfer. Transferee 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 cost, 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 27th day of December 1984

Lloyd E. Nelson (Seal)

Lloyd E. Nelson

Anabel Nelson (Seal)

(Seal)

ACKNOWLEDGMENT

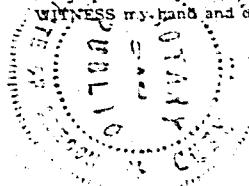
STATE OF OREGON,

County of Klamath } ss.

Before me, a Notary Public, personally appeared the within named LLOYD E. NELSON and ANABEL NELSON,

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.



Kristi J. Redd
Notary Public for Oregon

My Commission expires 11/16/87

MORTGAGE

M96492
Loan Number

FROM _____ TO Department of Veterans' Affairs

STATE OF OREGON,

County of KLAMATH } ss.

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

No. M84, page 21484 on the 27th day of December 1984 Evelyn Biehn, County Clerk

By *Pam Smith*, Deputy

Filed December 27, 1984 at o'clock 4:17 P.M.

County Clerk Evelyn Biehn

Pam Smith, Deputy

After recording return to:
DEPARTMENT OF VETERANS' AFFAIRS
155 NE Revere

Bend, OR 97701

Fee: \$9.00

SP50029-274