

45342-100-054004-10102
NOTICE AND MORTGAGE

THE MORTGAGOR: LARRY V. HOWARD and KATHY J. HOWARD

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

Lot 6, Block 6, FIRST ADDITION TO CYPRESS VILLA, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

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 heater, fuel storage receptacles; plumbing, ventilating, water and irrigating systems, pumps, electric service panels, 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 hereon; 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 Ten Thousand Four Hundred Fifty-Eight and no/100--- Dollars (\$10,458.00), and interest thereon, and as additional security for an existing obligation upon which there is a balance owing of Thirty-Eight Thousand Six Hundred Ninety-One and 29/100--- Dollars (\$38,691.29), evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON:
Thirty-Eight Thousand Six Hundred Ninety-One and 29/100 Dollars (\$38,691.29), with interest from the date of initial disbursement by the State of Oregon, at the rate of 6.7 percent per annum,
Ten Thousand Four Hundred Fifty-Eight and no/100--- Dollars (\$10,458.00) 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 _____ 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,
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: \$360.00 on or before March 1, 1985 and \$360.00 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 principal, the remainder on the principal.
The due date of the last payment shall be on or before February 1, 2010.
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, OR
January 24, 1985
Larry V. Howard
Kathy J. Howard
Kathy J. Howard

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 30, 1980, and recorded in Book M80, page 8041, Mortgage Records for the County of Klamath, Oregon.

which was given to secure the payment of a note in the amount of \$40,000.00, and this mortgage is also given as security for an additional advance in the amount of \$10,458.00, together with the balance of indebtedness covered by the previous note, and the new note is evidence of the entire indebtedness of the mortgagor.

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 covenants 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, lien, or encumbrance to exist at any time; if mortgagee is required to defend against a lawsuit to foreclose a lien or liens, taxes, assessments or other encumbrances, such payments may also be added to the principal, to bear interest as provided in the note;
7. 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;
8. To keep all buildings reasonably insured during the term of the mortgage, against loss by fire and such other hazards in such company or companies and to 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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County Clerk, Evelyn Bishm By *P. Ann Smith*
After recording return to:
DEPARTMENT OF VETERANS' AFFAIRS
155 NE REVERE AVENUE
BEND, OREGON 97701
Fee: \$9.00
101 W. Main St. SP-66620