

99038 Ver 465 185

PURCHASE MONEY MORTGAGE

THIS MORTGAGE made this 21 day of July, 1965, by
E. THARALSON and AGNES H. THARALSON, husband and wife, and LANE
DUNCAN, an unmarried man, "Mortgagors", and EDWIN J. WALKER and
RHAEL WALKER, husband and wife, "Mortgagees"

WITNESSETH:

That said mortgagors, in consideration of TWELVE THOUSAND
AND NO/100ths (\$12,000.00) DOLLARS to them advanced by said
mortgagees as purchase money, do hereby grant, bargain, sell and
convey unto said mortgagees, their heirs and assigns that certain
real property situated in Klamath County, State of Oregon, to-wit:

SW $\frac{1}{4}$ of Section 26, Township 35 South, Range 11 East
of the Willamette Meridian.
All of Section 35, Township 35 South, Range 11 East
of the Willamette Meridian.

EXCEPTING THEREFROM: Reservations, restrictions,
easements and rights of way of record and those apparent
upon the land.

Together with all and singular the tenements, hereditaments
and appurtenances thereunto belonging or in anywise appertaining,
and which may hereafter thereto belong or appertain and the rents,
issues and profits therefrom, and any and all fixtures upon said
premises at the time of execution of this mortgage or at any time
during the term of this mortgage.

TO HAVE AND TO HOLD the said premises with the appur-
tenances unto the said mortgagees, their heirs and assigns forever.

This mortgage is intended to secure the payment of a
promissory note of which the following is a true copy:

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PROMISSORY NOTE

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\$12,000.00

Klamath Falls, Oregon, July 21, 1965

We, the undersigned, promise to pay to the order of EDWIN J. WALKER and/or RHAE WALKER at Klamath Falls, Oregon, the sum of TWELVE THOUSAND and 00/100 (\$12,000.00) DOLLARS with interest thereon at the rate of 6 per cent per annum from the date of this note until paid, payable in annual installments of not less than \$1,200.00; interest shall be paid in addition to the minimum payments above required; the first payment to be made one year from the date of this note, and a like payment on the anniversary date of this note thereafter, until the whole sum, principal and interest, has been paid. The sole and only security for this note is the real property described in that certain purchase money mortgage dated _____, 1965, recorded _____, 1965, in Mortgage Volume _____ at page _____, Records of Klamath County, Oregon; if any of said installments is not so paid, the whole sum of both principal and interest to become immediately due and collectible at the option of the holder of this note. The recovery, by the holders of this note, of the above described real property shall constitute payment in full of the unpaid principal and interest then due. If this note is in default and placed in the hands of any attorney for collection, each of the undersigned, promises and agrees to pay the reasonable collection costs of the holder hereof; and if suit or action is filed hereon, also promises to pay (1) holder's reasonable attorney's fees to be fixed by the trial court and (2) if any appeal is taken from any decision of the trial court, such further sum as may be fixed by the Appellate Court as the holder's reasonable attorney's fees in the Appellate Court.

/s/ E. Tharalson

/s/ Lane Duncan

And said mortgagors covenant to and with the mortgagees, their heirs and assigns, that they are lawfully seized in fee simple of the said premises and that they have a valid, unencumbered title thereto, except as above stated, and will warrant and forever defend the same against all persons; that they will pay all taxes, assessments and other charges of every nature which may be levied or assessed against said property, or this mortgage or the note above described, when due and payable, and before the same becomes delinquent; that they will promptly pay and satisfy any and all liens or encumbrances that are or may become liens on the premises or any part thereof superior to the lien of this mortgage; that they will keep the buildings now on or which may be hereafter erected on the premises insured in favor of the mortgagees against loss or damage by fire in an amount of not less than the full insurable value, in such company or companies as the Purchase Money Mortgage -2-

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the said mortgagees may designate, and will have all policies of insurance on said property made payable to the mortgagees as soon as insured; that they will keep the buildings and improvements on said premises in good repair and will not commit or suffer any waste of the said premises.

And that mortgagees shall release from this mortgage any parcel of land consisting of five acres or more upon the payment in cash to the mortgagees the sum of \$18.75 per acre and mortgagees shall satisfy this mortgage as it pertains to the lands so released. The mortgagees further shall apply said monies toward the annual payment due to the mortgagees by the mortgagors as evidenced by the promissory note hereinabove mentioned.

NOW THEREFORE, if said mortgagors shall keep and perform the covenants herein contained and shall pay said note according to its terms, or within thirty (30) days from the date due, this conveyance shall be void, but otherwise shall remain in full force as a mortgage to secure the performance of all of said covenants and the payment of said note; it being agreed that a failure to perform any covenant herein; or if proceeding of any kind be taken to foreclose any lien on said premises or any part thereof, the mortgagees shall have the option to declare the whole amount unpaid on said note or on this mortgage at once due and payable, and this mortgage may be foreclosed at any time thereafter. And if the mortgagors shall fail to pay any taxes or charges or any lien or encumbrance or insurance premiums as above provided for, the mortgagees may at their option do so, and any payment so made shall be added to and become a part of the debt secured by this mortgage, and shall bear interest at the same rate as said note, without waiver, however, of any right arising to the mortgagees for breach of covenant. And this mortgage may be foreclosed for principal, interest and all sums paid by the mortgagees at any time while

the mortgagors neglect to repay any sums so paid by the mortgagees. And if suit be commenced to foreclose this mortgage, the attorney's fees provided for in said note shall be included in the lien of this mortgage. It is expressly agreed between the parties hereto that this is a purchase money mortgage and that the mortgagors shall not be liable for any deficiency that may arise from the foreclosure on the above described property.

Each and all of the covenants and agreements herein contained shall apply to and bind the heirs and assigns of the mortgagors and of said mortgagees respectively.

In case suit or action is commenced to foreclose this mortgage, the Court may, upon motion of the mortgagees, appoint a receiver to collect the rents and profits arising out of said premises during the pendency of such foreclosure, and apply the same to the payment of the amount due under this mortgage, first deducting all proper charges and expenses attending the execution of said trust.

IN WITNESS WHEREOF, the said mortgagors have hereunto set their hands the day and year first above written.

E. J. Walker
Edwin J. Walker
Rhae Walker

STATE OF OREGON)
 County of Klamath) ss. July 31, 1965
 Personally appeared ~~XXXXXXXXXXXXXXXXXXXX~~ EDWIN J. WALKER and RHAE WALKER, and acknowledged the foregoing instrument to be their voluntary act and deed.

John D. Gorchuck
 NOTARY PUBLIC FOR OREGON
 My Commission Expires: 11-25-68

STATE OF OREGON, COUNTY OF KLAMATH, ss.

Filed for record at request of Oregon Title Insurance Co.

this 21 day of July A.D. 1965 at 1:16 clock P.M., and
duly recorded in Vol. M 65, of Mortgages on Page 185.

Fee \$7.50

DOROTHY ROGERS, County Clerk

By *Jane Hauer*