

1 THIS MORTGAGE, made this 18th day of October, 1967, by GRANITE CHIEF CORPORA
2 TION, a California Corporation, Mortgagor, to ROBERT DOAK and VIRGINIA DOAK,
3 husband and wife, Mortgagees,

4 WITNESSETH, that said Mortgagor, in consideration of the sum of - - Fifty
5 Seven Thousand Six Hundred and 00/100 - - - - - (\$57,600.00) Dollars,
6 to the Mortgagor paid by the Mortgagees, the said Mortgagor does hereby grant,
7 bargain, sell and convey unto the said Mortgagees as joint tenants with the right
8 of survivorship and not as tenants in common, their assigns and the heirs of the
9 survivor of them, those certain premises situate in the County of Klamath and
10 State of Oregon, and described as follows, to-wit:

11 Parcel A: A piece or parcel of land situate in the SW $\frac{1}{4}$ of Section 5, Twp. 36
12 S., R. 7 E.W.M., and being more particularly described as follows:
13 Beginning at a point on the Northerly boundary of the SW $\frac{1}{4}$ of Section 5, Twp.
14 36 S., R. 7 E.W.M. from which the Northwest corner of said Section 5 bears North
15 33°55'20" West 812.95 feet and North 0°21'20" West 644.5 feet distant; thence
16 North 89°48'00" East 887.5 feet along the said Northerly boundary to the North-
17 east corner of the said SW $\frac{1}{4}$; thence South 0°27'20" West along the Easterly
18 boundary of said SW $\frac{1}{4}$ 1307.15 feet to a point; thence North 33°55'20" West
19 1571.45 feet, more or less, to the point of beginning.

20 Parcel B: A piece or parcel of land situate in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 5, Twp. 36
21 S., R. 7 E.W.M., and being more particularly described as follows:
22 Beginning at a point on the Easterly boundary of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 5, Twp.
23 36 S., R. 7 E.W.M. from which the stone monument marking the South quarter-section
24 corner of said Section 5 bears South 1°18'55" West 723.9 feet distant; thence
25 North 33°55'20" West 693.35 feet to a point on the Northerly boundary of the
26 said SE $\frac{1}{4}$ SW $\frac{1}{4}$; thence North 89°01'40" East along the said Northerly boundary 400.35
27 feet to the Northeast corner of the said SE $\frac{1}{4}$ SW $\frac{1}{4}$; thence South 1°18'55" West along
28 the Easterly boundary of the said SE $\frac{1}{4}$ SW $\frac{1}{4}$ 582.3 feet, more or less, to the point
29 of beginning.

30 Parcel C: Lots 11, 14, 19, 22 of Section 5, Twp. 36 S., R. 7 E.W.M.; EXCEPTING
31 THEREFROM the following described tract: Beginning at the Northwest
32 corner of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 5, Twp. 36 S., R. 7 E.W.M. from which the stone
monument marking the West quarter-section corner of said Section 5 bears South
89°40'20" West 1318.20 feet distant and the stone monument marking the center
quarter-section corner of said Sec. 5 bears North 89°40'20" East 1318.15 feet
distant; thence North 0°27'20" East along the West boundary of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ 10.65
feet to a point; thence South 33°55'20" East 1588.80 feet to a point on the
Southerly boundary of the said NE $\frac{1}{4}$ SW $\frac{1}{4}$; thence South 89°01'40" West along the
Southerly boundary of the said NE $\frac{1}{4}$ SW $\frac{1}{4}$ 901.70 feet to the Southwest corner; thence
North 0°37'50" East along the Westerly boundary of the said NE $\frac{1}{4}$ SW $\frac{1}{4}$ 1322.95 feet,
more or less, to the point of beginning.

33 Parcel D: Lots 25, 26, 31, 32 in Section 5 Twp. 36 S., R. 7 E.W.M., and the
34 NE $\frac{1}{4}$ of Section 8, Twp. 36 S., R. 7 E.W.M.; EXCEPTING THEREFROM the
35 following described tract: Beginning at a stone marking the quarter-section
36 corner common to Sections 5 and 8, said Township and Range; thence North 1°18'55"
East along the North-South centerline of said Section 5, 723.9 feet to an iron
pin; thence South 1°09'50" East 1768.3 feet to deep water; thence West 52.55
feet to a point on the North-South centerline of said Sec. 8; thence North along
the North-South centerline of said Sec. 8, 1044.2 feet, more or less, to the
point of beginning.

Parcel E: Government Lots 3, 4, 5 and 6, Sec. 5, Township 36 S., R. 7 E., M. 2 N.,
saving and excepting a strip of land 30 feet in width lying parallel
with and immediately adjacent to the line marking the Northerly boundary of Lots
3 and 4 of the said Sec. 5, and extending Westerly from the line marking the
Easterly boundary of the said Lot 3 to the line marking the Westerly boundary of
the said Lot 4 of the said Section 5. ALSO saving and excepting 3.19 acres,
more or less, beginning at a point from which the Northwest corner of said Sec. 5
bears North 0°17' West 672.1 feet distant; thence South 33°41'-2/3' East 778.2
feet; thence South 89°52' West 428.5 feet; thence North 0°17' West 648.5 feet,
more or less, to the point of beginning. ALSO saving and excepting 0.32 acre,
more or less, beginning at a point on the Westerly boundary of the NW1/4 of
Sec. 5; from which the Northwest corner of said Sec. 5 bears North 0°21'20" West
644.5 feet distant; thence South 33°55'20" East 812.95 feet to a point on the
Southerly boundary of the NW1/4; thence South 89°48'00" West along said South-
erly boundary 21.05 feet to the Southeast corner of that parcel of land conveyed
by Deed dated August 29, 1955, and recorded on page 88, Vol. 277, Deed Records
of Klamath County; thence North 33°46'-1/4' West along the Easterly boundary of
said parcel of land 778.2 feet to a point on the Westerly boundary of the said
NW1/4; thence North 0°21'20" West 27.55 feet, more or less, to the point of
beginning;

together with all and singular the tenements, hereditaments and appurtenances
thereunto belonging or in anywise appertaining; together with the rents, issues
and profits therefrom and all fixtures now or hereafter placed or installed in
or upon said described premises,

TO HAVE AND TO HOLD the same unto the said Mortgagees as joint tenants with
the right of survivorship and not as tenants in common, and to their assigns
and the heirs of the survivor forever.

This mortgage is intended to secure the payment of a certain promissory note
in words and figures substantially as follows:

\$ 57,600.00 Klamath Falls, Oregon October 18, 1967
The undersigned corporation promises to pay to the order of Robert Doak and Virginia Doak, and
upon the death of either of them then to U. S. National Bank of Oregon, Chiloquin Branch
the order of the survivor of them Fifty Seven Thousand Six Hundred and 00/100 DOLLARS,
with interest thereon at the rate of eight percent per annum from October 18, 1967 until paid,
payable in annual installments of not less than \$ 6,400.00 in any one payment; interest shall be
paid with principal and * in addition to the minimum payments above required; the first payment
to be made on the 1st day of September, 1968, and a like payment on the 1st
day of each September thereafter, until the whole sum, principal and interest, has been paid; 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. If this note is placed in the hands of an attorney for collection, the under-
signed 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 ap-
peal 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.
All or any portion may be prepaid
without penalty. By s/ William E. Aton By s/ Theodore Arman
President Secretary

No.

* Strike words not applicable.

FORM No. 101—INSTALLMENT NOTE—CORPORATION (Oregon UCC). SC

STEVENS-HESS LAW PUB. CO., PORTLAND

BANDON, WARDON
A. BORDON
ATTORNEYS AT LAW
KLAMATH FALLS, ORE.

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1 And said Mortgagor covenants to and with the the Mortgagees, and their suc-
2 cessors in interest, that it is lawfully seized in fee simple of said premises
3 and has a valid, unencumbered title thereto, EXCEPT a mortgage executed by
4 Mortgagees to United States National Bank of Oregon, which mortgage Mortgagees
5 covenanted and agreed to hold Mortgagor harmless from in the deed to it, and
6 will warrant and forever defend the same against all persons; that it will pay
7 said note, principal and interest, according to the terms thereof; that while any
8 part of said note remains unpaid it will pay all taxes, assessments and other
9 charges of every nature which may be levied or assessed against said property, or
10 this mortgage or the note above described, when due and payable and before the
11 same may become delinquent; that it will promptly pay and satisfy any and all
12 liens or encumbrances that are or may become liens on the premises, or any part
13 thereof, superior to the lien of this mortgage.

14 Now, therefore, if said Mortgagor shall keep and perform the covenants here-
15 in contained and shall pay said note according to its terms, this conveyance
16 shall be void, but otherwise shall remain in full force as a mortgage to secure
17 the performance of all of said covenants and the payment of said note; it being
18 agreed that if the Mortgagor shall fail to make any payment or to perform any
19 covenant herein, or if a proceeding of any kind be taken to foreclose any lien
20 on said premises, or any part thereof, the Mortgagees shall have the option to
21 declare the whole amount unpaid on said note or on this mortgage at once due and
22 payable, and this mortgage may be foreclosed at any time thereafter. And if the
23 Mortgagor shall fail to pay any taxes or charges or any lien or encumbrance as
24 above provided for, the Mortgagees may at their option do so, and any payment so
25 made shall be added to and become a part of the debt secured by this mortgage
26 and shall bear interest at the same rate as said note, without waiver, however,
27 of any right arising to the Mortgagees for breach of covenant; and this mortgage
28 may be foreclosed at any time while the Mortgagor neglects to repay any sums so
29 paid by the Mortgagees.

30 In the event of any suit or action being instituted to foreclose this mort-
31 gage, the Mortgagor agrees to pay all reasonable costs incurred by the Mortgagees
32 for title reports and title search, all statutory costs and disbursements and such

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1 further sum as the trial court may adjudge reasonable as plaintiff's attorney's
 2 fees in such suit or action, and if an appeal is taken from any judgment or de-
 3 cree entered therein Mortgagor further promises to pay such sum as the appellate
 4 court shall adjudge reasonable as plaintiff's attorney's fees on such appeal,
 5 all such sums to be secured by the lien of this mortgage and included in the
 6 decree of foreclosure.

7 Each and all of the covenants and agreements herein contained shall apply to
 8 inure to the benefit of and bind the heirs, executors, administrators, successor
 9 in interest and assign of said Mortgagor and of said Mortgagees respectively.

10 In consideration of the payment of \$3,600.00, plus accrued interest, Mort-
 11 gagees covenant and agree that they will release from the lien of this Mortgage
 12 10 acres in the NW 1/4 of Section 8, Township 36 S., Range 7 E.W.M., EXCEPT the
 13 West 20 feet thereof, and will also grant an easement across the remainder of the
 14 property herein described over the existing road for ingress and egress to and
 15 from said 10 acre parcel. The said \$3,600.00 payment is to be in addition to
 16 the annual payments provided in the Note herein described. Provided however,
 17 that in the event Mortgagor builds another and better road across the premises
 18 then in such event the easement to the said 10 acre parcel would be across the
 19 newer and existing road, or if a better road is built subsequent to the release
 20 herein then in such event Mortgagees would grant an easement over the newer road
 21 and the easement over the older road would be cancelled.

22 Provided further, that upon the payment of the additional sum of \$2,000.00
 23 or more to apply on principal Mortgagees will release from the lien of this
 24 agreement 10 acre parcels or more; provided however, the 10 acre parcels shall
 25 be adjacent to the above described 10 acre parcel, but in no event will the
 26 property within 20 feet of the West line be released; that this release provision
 27 is based on \$200.00 per acre with the minimum release right of 10 acre parcels;
 28 that the payments paid for the release shall be in addition to the annual pay-
 29 ments provided in the Note, and Mortgagor will pay all costs for the release;
 30 that Mortgagor will also assume all responsibility for obtaining a release of
 31 the first Mortgage on the premises if it so desires; however, Mortgagees will
 32 pay all of any release monies received by them to apply on the first Mortgage,

1 and if the first Mortgagee desires additional consideration Mortgagor will have
2 to pay the additional sum to apply on the unpaid balance of this Note and Mort-
3 gage, and any such payment will likewise be applied to the end payments on the
4 said Note and Mortgage.

5 That except for the 10 acre parcel above described, Mortgagor covenants and
6 agrees that so long as this Mortgage is in force and effect it gives the Mort-
7 gagee the sole and exclusive option to purchase any other property released
8 from the lien of their Mortgage for a period of 15 days; that Mortgagor will ad-
9 vise Mortgagees of the terms and conditions of the sale and if Mortgagees fail
10 to purchase same on said terms and conditions within 15 days of receipt of the
11 offer then Mortgagor shall be free to sell to a third party on the same terms
12 and conditions.

13 It is expressly understood and agreed that any and all structures placed on
14 the premises may be removed by Mortgagor in the event of default, provided that
15 any removal must be done prior to sale by Sheriff on foreclosure; provided how-
16 ever, this provision is subject to receiving permission of United States National
17 Bank of Oregon, the first Mortgagee.

18 It is further understood and agreed that Mortgagor intends to develop the
19 premises for hunting purposes, and it may place thereon a landing strip, ponds
20 for ducks and geese, dredge the area and place thereon a golf course.

21 IN WITNESS WHEREOF, Granite Chief Corporation, pursuant to a resolution of
22 its Board of Directors, duly and legally adopted, has caused these presents to
23 be signed by its President and Secretary this 18th day of October, 1967.

GRANITE CHIEF CORPORATION

By William E. Aton, PresidentBy Theodore Arman, Secretary

27 STATE OF OREGON)
County of Klamath) SS

October 19, 1967

28 Personally appeared William E. Aton and Theodore Arman who, being sworn, each
29 for himself and not one for the other, stated that the former is the President
30 and that the latter is the Secretary of Granite Chief Corporation, a California
31 Corporation and that this Mortgage was voluntarily signed and sealed in behalf
32 of the Corporation by authority of its Board of Directors.

Before me:

(SEAL)

Ernest F. Ardon
Notary Public for Oregon
My Commission Expires: 5-15-68

BANDON, BANDON
& GORDON
ATTORNEYS AT LAW
KLAMATH FALLS, ORE.

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STATE OF OREGON; COUNTY OF KLAMATH; ss.
Filed for record at request of Klamath County Title Co.
this 25th day of October A. D. 1967 at 3:57 o'clock PM., and
duly recorded in Vol. M-67, of Mortgages on Page 8337
Fee 9.00 41 By Dorothy Rogers, County Clerk