

# MORTGAGE

THIS INDENTURE of mortgage made this 28th day of November, 1967, by and between  
 NORMAN JACOB, a single man \*

hereinafter called the mortgagor, (whether one or more) and UNITED STATES NATIONAL BANK OF OREGON, a national  
 banking association, hereinafter called the mortgagee,

## WITNESSETH:

That the mortgagor, in consideration of the sum of THREE HUNDRED NINETY NINE THOUSAND AND NO/100 \*  
 (\$ 399,000.00) dollars received from the mortgagee, does hereby grant, bargain, sell and convey to said mortgagee,  
 its successors and assigns forever, all of that certain property situated in the City of \*  
 County of Klamath, State of Oregon, and described as follows, to-wit:

### NORMAN JACOB - REAL ESTATE MORTGAGE

The following described real property in Klamath County, Oregon:

Township 40 South, Range 13 East of the Willamette Meridian

Section 13: NE $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$ , E $\frac{1}{2}$ NW $\frac{1}{4}$  and all of the NW $\frac{1}{4}$ NW $\frac{1}{4}$  EXCEPT that  
 portion lying North of Miller Creek as now located.

Section 14: That portion of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  lying East of Lost River  
 and South of Miller Creek; that portion of the SE $\frac{1}{4}$ NE $\frac{1}{4}$  lying North-  
 easterly of Lost River as now located.

Section 11: That portion of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  lying Southwesterly of  
 Miller Creek and Northeasterly of Lost River.

Section 12: SE $\frac{1}{4}$ SE $\frac{1}{4}$ ; that portion of the N $\frac{1}{2}$ SE $\frac{1}{4}$  lying South of  
 Miller Creek as now located; the SW $\frac{1}{4}$ SE $\frac{1}{4}$  EXCEPT that portion lying  
 Northwesterly of Miller Creek as now located; that portion of the  
 S $\frac{1}{2}$ SW $\frac{1}{4}$  lying Southeasterly of Miller Creek

Township 40 South, Range 14 East of the Willamette Meridian

Section 7: W $\frac{1}{2}$ SE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ , and that portion of the W $\frac{1}{2}$ SW $\frac{1}{4}$  lying South  
 of Miller Creek as now located.



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The following described real property in Klamath County, Oregon:

PARCEL I:

Township 40 South, Range 14 East of the Willamette Meridian:

Section 17: W $\frac{1}{2}$ SW $\frac{1}{4}$ ;

Section 18: The portion of the E $\frac{1}{2}$ SE $\frac{1}{4}$  lying East of the County Road;

Section 19: The portion of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  and SE $\frac{1}{4}$ SE $\frac{1}{4}$  lying East of the County Road; EXCEPT that portion of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  described in Deed Volume 282 at page 91, Records of Klamath County, Oregon;

Section 20: NW $\frac{1}{4}$ , SE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$  and that portion of the SW $\frac{1}{4}$ SW $\frac{1}{4}$  lying Easterly and Northeasterly of the Langell Valley Market Road; EXCEPT that portion described in Deed Volume 282 at page 91, Records of Klamath County, Oregon;

Section 28: NW $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ , EXCEPT that portion described in Deed Volume 275 at page 473, Records of Klamath County, Oregon.

Section 29: NE $\frac{1}{4}$ , NW $\frac{1}{4}$  lying Northeasterly of Langell Valley Market Road, EXCEPT that portion described in Deed Volume 282 at page 91, Records of Klamath County, Oregon; NE $\frac{1}{4}$ SW $\frac{1}{4}$  EXCEPT that portion described in Deed Volume 282 at page 91, Records of Klamath County, Oregon; ALSO EXCEPT that portion of S $\frac{1}{2}$ SE $\frac{1}{4}$  described in Deed Volume 275 at page 473, Records of Klamath County, Oregon. SE $\frac{1}{4}$  EXCEPT those portions described in Deed Volume 282 at page 91, Records of Klamath County, Oregon.

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DESCRIPTION - CONTINUED

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PARCEL I (Continued):

Section 32: NE $\frac{1}{4}$  EXCEPT that portion described in Deed Volume 275 at page 473, Records of Klamath County, Oregon;

Section 33: W $\frac{1}{2}$ E $\frac{1}{2}$ , NW $\frac{1}{4}$  EXCEPT THAT portion described in Deed Volume 275 at page 473, Records of Klamath County, Oregon;  
SW $\frac{1}{4}$  EXCEPT that portion described in Deed Volume 275 at page 301, Records of Klamath County, Oregon;

Township 41 South, Range 14 East of the Willamette Meridian:

Section 3: SW $\frac{1}{4}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ ;

Section 4: Lots 1 and 2 and SE $\frac{1}{4}$ NE $\frac{1}{4}$  EXCEPT that portion described in Deed Volume 275 at page 301, Records of Klamath County, Oregon.

PARCEL II:

Township 41 South, Range 14 East of the Willamette Meridian:

Section 3: Lot 4, NW $\frac{1}{4}$ SW $\frac{1}{4}$ , S $\frac{1}{2}$ SW $\frac{1}{4}$ ;

Section 4: Lots 3 and 4 and the SW $\frac{1}{4}$ NE $\frac{1}{4}$  EXCEPT that portion described in Deed Volume 275 at page 301, Records of Klamath County, Oregon;  
S $\frac{1}{2}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ SE $\frac{1}{4}$ ;

Section 5: Lot 1, SE $\frac{1}{4}$ NE $\frac{1}{4}$ ;

Section 10: N $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$  both lying North of "State-Line Road".

PARCEL III:

Township 40 South, Range 14 East of the Willamette Meridian:

Section 19: SE $\frac{1}{4}$ NE $\frac{1}{4}$  and NE $\frac{1}{4}$ SE $\frac{1}{4}$  lying East of the County Road.

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## DESCRIPTION - CONTINUED

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PARCEL IV:Township 41 South, Range 14 East of the Willamette Meridian:Section 3: Lots 2, 3, SE $\frac{1}{4}$ NE $\frac{1}{4}$ ;Section 4: SW $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$ , both lying North of "State-Line Road";Section 9: N $\frac{1}{2}$ NE $\frac{1}{4}$  lying North of "State-Line Road".PARCEL V:

A piece or parcel of land situate in the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 19; the SW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 20; the NW $\frac{1}{4}$ , the NE $\frac{1}{4}$ SW $\frac{1}{4}$  and the SE $\frac{1}{4}$  of Section 29, Township 40 South, Range 14 East of the Willamette Meridian, more particularly described as follows:

Beginning at the section corner at the Southeast corner of said Section 19 and running thence North 89°36 $\frac{1}{2}$ ' West along the section line marking the Southerly boundary of said SE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 19, 100.0 feet, more or less, to its intersection with the center line of the East Langell Valley Road; thence North 28°22' West, and following the center line of said East Langell Valley Road, 258.2 feet; thence North 22°33' West, 925.8 feet; thence North 18°28 $\frac{1}{2}$ ' West 264.7 feet, more or less, to its intersection with the line marking the Northerly boundary of the said SE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 19; thence South 89°35' East along the said line marking the Northerly boundary of the said SE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 19, 327.0 feet to a point in a line parallel with and 25.0 feet Easterly from the center line of the irrigation ditch of the Willow Valley Irrigation District; thence South 19°25' East, and following said parallel line, 147.1 feet; thence South 10°51' East 122.2 feet; thence South 15°48' East 426.1 feet; thence South 20°10' East 293.0 feet; thence South 24°41' East, 102.2 feet, more or less, to a point in the Section line marking the Easterly boundary of said SE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 19, from which the said section corner at the Southeasterly corner of said Section 19 bears South 0°35' East 295.0 feet distant; thence South 27°26' East and continuing along said parallel line 332.2 feet, more or less, to a point in the section line marking the Southerly boundary of said SW $\frac{1}{4}$ SW $\frac{1}{4}$  of said Section 20 from which the section corner at the Southeasterly corner of the said Section 19 bears South 89°55' West 150.0 feet distant; thence South 22°23' East and continuing along said parallel line 108.5 feet; thence South 34°03' East 618.0 feet; thence South 36°04' East 300.6 feet; thence South 46°47 $\frac{1}{2}$ ' East 338.9 feet; thence South 51°23 $\frac{1}{2}$ ' East 158.7 feet; thence South 42°26 $\frac{1}{2}$ ' East 348.3 feet; thence South 40°54 $\frac{1}{2}$ ' East 366.5 feet; thence South 25°41 $\frac{1}{2}$ ' East 235.3 feet; thence South 49°55' East,

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PARCEL V (Continued):

107.2 feet; thence South 28°14' East 230.4 feet; thence South 35°09' East 173.7 feet; thence South 52°15½' East 408.5 feet; thence South 13°51' East 225.6 feet; thence South 78°23' East 109.2 feet; thence South 34°49' East 240.0 feet; thence South 21°00½' East 133.9 feet; thence South 33°44' East 340.3 feet; thence South 3°04' East 168.2 feet; thence South 6°16' East 91.5 feet; thence South 32°26' East 126.8 feet; thence South 75°20½' East 201.6 feet; thence South 88°11' East 315.2 feet; thence North 56°44½' East 111.2 feet; thence South 84°51' East 222.9 feet; thence South 65°28½' East 175.9 feet; thence North 76°26½' East 145.0 feet; thence North 71°34' East 243.5 feet; thence North 48°02' East 400.8 feet; thence North 33°48' East 291.2 feet, more or less, to a point in the center line of the Main Drain of the Willow Valley Irrigation District; thence South 24°48' East along the center of the said drain 145.4 feet to a point from which the quarter section corner on the East side of the said Section 29 bears North 14°27½' East 632.3 feet distant, and continuing thence South 5°04' West along the center line of the said drain, 249.0 feet; thence South 9°32½' East 114.6 feet; thence South 3°05' West 167.2 feet; thence South 23°07' West 96.8 feet; thence South 35°08½' West 239.4 feet; thence South 72°01' West, and leaving said drain 1360.0 feet; thence South 79°19' West 483.0 feet; thence North 48°14½' West 243.8 feet; thence South 89°37½' West 335.5 feet, more or less, to a point in the line marking the Westerly boundary of the said SE¼ of said Section 29; thence North 0°22' West along the said boundary line 447.0 feet, more or less, to the Southeasterly corner of said NE¼SW¼ of said Section 29; thence North 89°56' West along the line marking the Southerly boundary of the said NE¼SW¼ of said Section 29, 65.0 feet, more or less, to its intersection with the center line of the East Langell Valley Road; thence North 30°18½' West along the said center line of the East Langell Valley Road 259.0 feet; thence North 36°34' West 2975.7 feet; thence North 34°13½' West 208.0 feet; thence North 31°14½' West 1144.0 feet, more or less, to a point in the section line marking the Westerly boundary of the said Section 29; thence North 0°19½' East along the said section line, 195 feet, more or less, to the point of beginning.

PARCEL VI:

A piece or parcel of land situate in the SW¼ of Section 33, Township 40 South, Range 14 East of the Willamette Meridian, and the W¼NE¼ and the N¼NW¼ of Section 4, Township 41 South, Range 14 East of the Willamette Meridian, and more particularly described as follows:

Beginning at the section corner marking the Southwesterly corner of the said Section 33, Township 40 South, Range 14 East of the Willamette Meridian, and running thence North 0°32' West along the section line marking the Westerly boundary of the said Section 33, 1411.0 feet; thence South 59°41½' East parallel with and 10.0 feet distant Southwest-erly from the center line of the Willow Valley Irrigation District

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PARCEL VI: (Continued)

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Irrigation ditch, 2997.0 feet, more or less, to a point in the section line marking the boundary between the said Section 33, Township 40 South, Range 14 East of the Willamette Meridian, and the said Section 4, Township 41 South, Range 14 East of the Willamette Meridian, from which the quarter section corner between the said Section 33, Township 40 South, Range 14 East of the Willamette Meridian, and the said Section 4, Township 41 South, Range 14 East of the Willamette Meridian, bears North 89°59' East 230.0 feet distant, and running thence South 70°53' East 100.8 feet; thence South 43°04' East 660.3 feet; thence South 59°38½' East 358.1 feet; thence South 43°32' East 553.1 feet; thence South 36°48' East 382.2 feet; thence South 23°27½' West 256.2 feet; thence North 78°05' West 353.6 feet; thence North 23°28' West 198.4 feet; thence North 166.0 feet; thence North 40°50' West 107.1 feet; thence North 84°57½' West 603.3 feet; thence North 66°51' West 323.0 feet; thence South 86°58' West 132.2 feet; thence North 72°55' West 241.7 feet; thence North 62°11½' West 330.1 feet; thence North 39°18½' West 221.0 feet; thence North 57°10½' West 385.6 feet; thence North 51°43½' West 578.3 feet, more or less, to a point in the section line marking the boundary between the said Section 33, Township 40 South, Range 14 East of the Willamette Meridian, and the said Section 4, Township 41 South, Range 14 East of the Willamette Meridian; thence South 89°59' West along the said Section line 797.7 feet to the said section corner at the Southwesterly corner of the said Section 33, Township 40 South, Range 14 East of the Willamette Meridian, the point of beginning.

PARCEL VII:

3/2 NW¼ of Section 29, Township 40 South, Range 14 East of the Willamette Meridian, lying Southwesterly of the County Road.

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together with all and singular the privileges, tenements, hereditaments and appurtenances now or hereafter thereunto belonging, or in any wise appertaining, including, but not limited to, any and all party wall agreements, easements, rights of way, water rights and all other rights and privileges owned or enjoyed by the mortgagor with respect to said property or any part thereof, whether or not appurtenant thereto.

**TO HAVE AND TO HOLD**, said property unto said mortgagee, its successors and assigns, forever.

And said mortgagor does hereby covenant to and with said mortgagee, its successors and assigns, that said mortgagor is lawfully seized in fee simple of the property above described; that said property is free and clear of all liens and encumbrances of every nature and kind whatsoever, and that said mortgagor will forever warrant and defend the same unto the said mortgagee, its successors and assigns, against the lawful claims and demands of all persons whomsoever.

The condition of this conveyance is such that whereas said mortgagee has actually loaned and advanced to said mortgagor, and said mortgagor has received the just and full sum of THREE HUNDRED NINETY NINE THOUSAND AND NO/100 (\$ 399,000.00 ) dollars, to be repaid according to the terms of one principal note of even date executed by the mortgagor for TWO HUNDRED SEVENTY EIGHT THOUSAND THREE HUNDRED THIRTY FOUR 278,334.85 dollars, and repayable AND 85/100 \* \* \* \* \* ON DEMAND

the unpaid balance of principal and interest, if any then remains unpaid, to be due and payable. \* \* \* years from date, and payable to the order of United States National Bank of Oregon at its Klamath Falls Branch, and bearing interest as in said note provided, and further providing for the payment of such sum as the court shall adjudge reasonable as attorneys' fees in case of suit or action thereon, and said mortgagee may, at its sole option, make further advances to the mortgagor not exceeding (original loan and future advances) at any one time the aggregate principal sum of THREE HUNDRED NINETY NINE THOUSAND AND NO/100 \* \* \* \* \* (\$ 399,000.00 ) dollars and interest. The payment of any portion or the whole of said aggregate principal sum shall in no way affect the right of the mortgagee, at its option, to make further advances hereunder within said aggregate principal sum, to be secured by the lien of this mortgage.

**NOW, THEREFORE**, if the said mortgagor or mortgagor's heirs, successors or assigns, shall pay to said mortgagee, its successors or assigns, said sum of THREE HUNDRED NINETY NINE THOUSAND AND NO/100 \* \* \* \* \* (\$ 399,000.00 ) dollars, with interest thereon, according to the tenor and effect of said note, and of any extensions or renewals thereof or of any

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part thereof, and shall repay any and all future advances made to the mortgagor by the mortgagee, as above provided, in accordance with the terms of the note or notes evidencing such future advances, and of any extensions or renewals thereof, or of any part thereof, and shall keep and perform all and singular the covenants and agreements herein contained, for said mortgagor to keep and perform, then these presents shall cease and be void, but otherwise shall remain in full force and effect.

And said mortgagor hereby covenants and agrees with said mortgagee, its successors and assigns, as follows:

FIRST: that said mortgagor will pay said note and any and all notes evidencing future advances and any and all extensions or renewals thereof, if any, together with all interest accrued thereon, promptly as the same become due; all extensions or renewals to be at the sole option of the mortgagee.

SECOND: that so long as said note, or any other indebtedness secured hereby shall remain unpaid, in whole or in part, said mortgagor will pay all taxes, assessments and other charges that may be levied or assessed upon or against said property, this mortgage, and the debt secured hereby, before they become delinquent and promptly deliver receipts therefor to the mortgagee, and will comply with and be bound by all rules and regulations of any governmental authority affecting said property and of any governmental agency having an interest in the loan secured hereby.

THIRD: that said mortgagor will keep all the buildings now or hereafter erected on said premises and the grounds and shrubbery, if any, surrounding said buildings, together with all personal property, if any, covered by the lien hereof, in good order, repair and condition and will not do or permit waste of the property hereby mortgaged; and to the extent that said mortgaged property shall constitute a farm or orchard, the mortgagor will operate such farm or orchard in such manner as to prevent the same and the improvements thereon, including fences, from deteriorating during the life of this mortgage, reasonable and proper use, wear and tear excepted; and to the extent that said premises are under cultivation, will cultivate or otherwise operate the same in accordance with good husbandry; and said mortgagor will not make any structural changes in the buildings on said mortgaged property or remove any part thereof without the prior written consent of the mortgagee. Upon any failure of the mortgagor to maintain said improvements or otherwise perform the mortgagor's obligations, as set forth in this paragraph, the mortgagee may, at its option, cause reasonable maintenance work to be performed at the cost of the mortgagor, and any amounts so paid by the mortgagor, with interest thereon at the rate set forth in the note secured hereby, shall, if not repaid by the mortgagor upon demand, thereupon become a part of the indebtedness secured by this instrument; or, if the mortgagee shall so elect, the entire debt secured by this mortgage shall at once become due and payable, and all notice if such election is hereby waived.

FOURTH: that so long as said note, or any other indebtedness secured hereby, shall remain unpaid, in whole or in part, said mortgagor will keep the buildings now erected, or any which may hereafter be erected on said premises, together with all personal property, if any, covered by the lien hereof, insured against loss or damage by fire and such other hazards, including but not limited to, war risks, and in such manner as the mortgagee may require, to the extent of not less at any time than the aggregate principal indebtedness secured hereby at that time, or the full insurable value of said property, whichever is the smaller amount, as to each such risk (provided, however, that if any of the policies of such insurance contain any conditions or provisions as to co-insurance, the property shall be kept insured for a sufficient amount also to comply with such co-insurance condition) in some company or companies acceptable to said mortgagee, or in such company or companies as said mortgagee may, at its election, specify, and for the benefit of said mortgagee, and will deliver the policies and renewals for all insurance on said property with suitable and satisfactory mortgage clauses endorsed thereon, to said mortgagee promptly after the issue thereof; and should the mortgagor fail to obtain such insurance or to deposit said policies as herein provided, or deposit renewals of said policies five (5) days before any such policies expire, said mortgagee may procure said insurance, or renewals, at the expense of said mortgagor and any amounts paid therefor by the mortgagee, with interest thereon at the rate set forth in the note secured hereby, shall, if not repaid by the mortgagor upon demand, thereupon become a part of the indebtedness secured by this instrument. In the event of loss, the mortgagor will give immediate notice by mail to the mortgagee, and the mortgagee may make proof of loss if not made promptly by the mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the mortgagee instead of to the mortgagor and the mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage, or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title, and interest of the mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

FIFTH: that said mortgagor will complete any and all buildings and improvements on said mortgaged premises now or hereafter in course of construction or repair, within five (5) months from the date hereof and pay in full all costs and expenses incident thereto.

And it is further expressly understood and agreed as follows:

1. Should said mortgagor fail to pay any installment of principal or interest, as the same becomes due, the entire debt secured by this mortgage shall at once become due and payable, if the mortgagee so elects, and all notice of such election is hereby waived.

2. Should said mortgagor fail to pay any taxes or any installment of any assessment for local improvements heretofore or hereafter made, which is or may be payable in installments and which is or may become a lien on said premises, within fifteen (15) days after the same shall become due, the entire debt secured by this mortgage shall at once become due and payable, if the mortgagee so elects, and all notice of such election is hereby waived.

3. The mortgagor agrees that if the mortgagee shall so require, the mortgagor will, in lieu of making payment of taxes, assessments, and insurance premiums directly to the taxing authorities and insurance companies, pay to the mortgagee on each installment payment date such additional sum as shall in the aggregate provide the mortgagee with sufficient funds, as estimated by the mortgagee, to pay such taxes, assessments and insurance premiums when the same become due, and the mortgagee agrees to apply such funds for that purpose. In the event such additional funds shall be insufficient to meet such payments when they accrue, the mortgagor will, upon request of the mortgagee, immediately provide such further sum as may be necessary to meet the deficiency, and in the event that such additional money shall be in excess of the amount required, such excess shall be applied upon the next maturing payments of taxes, assessments and insurance premiums. Should the mortgagor fail to make payment of any taxes, assessments, insurance premiums, or other charges payable by the mortgagor, either by direct payment or by providing the mortgagee with funds with which to make such payment, said mortgagee may, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured by this mortgage, without waiver of any rights arising from breach of any of the covenants hereof, and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the mortgagor, shall be bound to the same extent that they are bound for the payment of the obligations herein described, and all such payments shall be immediately due and payable without notice, and the non-payment thereof shall, at the option of the mortgagee, render all sums secured by this mortgage, immediately due and payable, and constitute a breach of this mortgage.

4. Should said mortgagor permit any lien for labor or materials to be filed against said premises, or any part thereof, and remain unpaid for more than fifteen (15) days, or should said mortgagor fail to complete any and all buildings and improvements, now or hereafter in course of construction or repair on said mortgaged premises, within five (5) months from the date hereof, and pay all costs and expenses incident thereto: (a) the mortgagee shall have the right, at its option, to pay and satisfy said lien or liens, and add the amount so paid to the mortgage debt to be secured by this mortgage; provided, however, that if the mortgagor shall notify the mortgagee that the mortgagor is contesting any such lien and shall indemnify the mortgagee with respect to such lien in such manner as the mortgagee may require, the mortgagee shall not pay such specified lien, and the mortgagor's failure to pay the same shall not constitute a breach of this mortgage; or (b) the mortgagee shall have the right, at its option, to complete the construction or repair of said buildings and improvements (the mortgagor hereby expressly appointing the mortgagee as agent for such purpose) and any sums of money so expended by the mortgagee for completing the construction or repair of said buildings and improvements and for the payment of any existing claims for labor or materials, or both, shall be included in and added to the mortgage debt, to be secured hereby; or (c) the mortgagee, at its option, may declare all sums secured by this mortgage immediately due and payable. It is expressly understood and agreed that all claims paid by the mortgagee under (a) or (b) shall be conclusive upon the mortgagor as to the validity and amount of such claims.



5. In the event that any portion or all of said mortgaged property shall be taken under the right of eminent domain or condemnation, the mortgagee shall have the right, if it so elects, to require that all or any portion of the moneys payable as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorneys' fees necessarily paid or incurred by the mortgagor in such proceedings, shall be paid to the mortgagee and applied by it first upon any reasonable costs and expenses and attorneys' fees necessarily paid or incurred by the mortgagee in such proceedings, and the balance applied upon the indebtedness secured hereby; and the mortgagor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon the mortgagee's request.

6. The mortgagor agrees to pay to the mortgagee all reasonable expenses incurred by mortgagee, at any time necessary in mortgagee's opinion for the protection of its interests or the enforcement of its rights, including but not limited to the cost of searching records, obtaining title reports, surveyors' reports, attorneys' opinions or mortgagee's title insurance, whether or not in connection with any suit or action; and the amount of such expenses, with interest thereon from the date incurred at the rate set forth in the note secured hereby, if not repaid by mortgagor upon demand, shall be secured by this mortgage.

7. As an additional security and pledge for the payment of said indebtedness, and subject to the terms and provisions of this mortgage, said mortgagor hereby bargains, sells and assigns to said mortgagee all the rents, issues and profits of said property accruing after a default hereunder and if a default hereunder shall occur and continue for a period of thirty (30) days, and a bill of complaint shall be filed to foreclose this mortgage, the court shall, on motion or application of said mortgagee, either at the time of filing such bill of complaint or thereafter, and without regard to the condition of said property at such time, appoint a receiver to collect the rents, issues and profits of said property during the pendency of such foreclosure and apply such rents, issues and profits to the payment, pro tanto, of the amounts due under this mortgage, first deducting all proper charges and expenses of such receivership, and after paying all taxes or assessments levied or assessed against said property and then unpaid, and said mortgagor agrees forthwith to surrender possession of said property to any receiver so appointed.

8. In the event that the mortgaged property shall consist of real and personal property constituting an operating entity, such as an apartment house, industrial plant, hotel, or furnished dwelling, it is agreed that all of said mortgaged property, both real and personal, whether such personal property be actually affixed to said real property or not, together with any and all additions thereto, may, at the option of the mortgagee be sold upon foreclosure, either as a unit including both real and personal property subject to redemption as a unit, or separately; and in the event that such personal property shall be sold separately, such sale shall be in accordance with the procedure applicable to the sale of personal property upon the foreclosure of a chattel mortgage, with no right of redemption. If said mortgaged property shall be sold as a unit, and shall thereafter be redeemed, there shall be added to the amount to be paid for such redemption such amount as the purchaser at foreclosure sale, or such purchaser's successor in interest at the time of redemption, shall have expended during the redemption period to keep said property in satisfactory condition, including the cost of repairs and improvements made in the normal course of the administration of said property.

9. The mortgagor reserves the privilege of repaying at any time without premium or fee, the entire indebtedness secured hereby, or any part thereof, not less than the amount of one installment, or One Hundred (\$100.00) Dollars, whichever is less.

10. The mortgagor further agrees to pay to the mortgagee all costs, disbursements, and reasonable attorneys' fees incurred by mortgagee in any suit to foreclose this mortgage, or in any suit or other proceedings which mortgagee is obliged to prosecute or defend in order to protect the lien hereof, or in collecting any delinquent installment whether or not any suit or action is commenced; and the amount of such costs, disbursements or fees, with interest thereon from the date incurred or paid, at the rate set forth in the note secured hereby, if not repaid by mortgagor upon demand, shall be secured by this mortgage.

11. In the event of any transfer of the property herein described or any part thereof or any interest therein, whether voluntary or involuntary or by operation of law, the Mortgagee may, without notice to the Mortgagor or any one else, extend the time of payment, execute releases or partial releases from the lien of this mortgage or in any other respect modify the terms hereof without thereby affecting the personal liability of the Mortgagor for the payment of the indebtedness hereby secured.

12. As additional security for the payment of said indebtedness, the Mortgagor further agrees to assign to the Mortgagee, upon request by the Mortgagee, and in such manner as the Mortgagee may require, any and all leases now or hereafter, during the period of the mortgage, entered into by the Mortgagor with respect to the above described real property, or any portion thereof.

13. It is expressly understood and agreed that time and the exact performance of all the conditions hereof are of the essence of this contract.

In the event that this mortgage is executed by two or more mortgagors, the liability of each mortgagor shall be joint and several; and the covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors and assigns of the parties thereto.

IN WITNESS WHEREOF, said mortgagor has properly executed this instrument the day and year herein first written.

*Norman Jacob*

#### INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON, } ss.  
County of Klamath

THIS CERTIFIES that on this 28th day of November, 1967, before me, the undersigned, a Notary Public in and for the said county and state, personally appeared the within named Norman Jacob who known to me to be the identical person described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily for the purposes and uses therein mentioned.

IN TESTIMONY WHEREOF, I have hereunto set my hand and notarial seal the day and year last above written.

My commission expires 5-20-69

*Charles W. Jones*  
Notary Public in and for said County and State

CONTINUED



<b>Mortgage</b>	
NORMAN JACOB	
TO	
UNITED STATES NATIONAL BANK OF OREGON	
STATE OF OREGON, County of <u>Klamath</u>	ss.
I certify that the within instrument was received for record on the <u>29</u> day of <u>Nov</u> 19 <u>67</u> at <u>4:46</u> o'clock <u>P</u> . M. and recorded in Book <u>1167</u> on page <u>9183</u> Record of Mortgages of said County.	
Witness my hand and seal of County affixed.	
<u>Donna J. Hagan</u> County Clerk (Filing)	
<u>Paula B. Baker</u> Deputy	
1500	
AFTER RECORDING RETURN TO:	
UNITED STATES NATIONAL BANK OF OREGON	
KLAMATH FALLS BRANCH Post Office Box 789 Klamath Falls, Oregon	
for the attention of:	
Jean Klarner Department	

## INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON,  
County of \_\_\_\_\_ } ss.

THIS CERTIFIES that on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_, before me, the undersigned, a Notary Public in and for the said county and state, personally appeared the within named \_\_\_\_\_ who \_\_\_\_\_ known to me to be the identical person described in and who executed the within instrument and acknowledged to me that \_\_\_\_\_ executed the same freely and voluntarily for the purposes and uses therein mentioned.

IN TESTIMONY WHEREOF, I have hereunto set my hand and notarial seal the day and year last above written.

My commission expires \_\_\_\_\_

Notary Public in and for said County and State.

## PARTNERSHIP ACKNOWLEDGMENT

STATE OF OREGON,  
County of \_\_\_\_\_ } ss.

THIS CERTIFIES that on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_, personally appeared before me, the undersigned, a Notary Public in and for said County and State, the within named \_\_\_\_\_ known to me to be the person named in and who executed the foregoing instrument and who \_\_\_\_\_ known to me to be \_\_\_\_\_ member \_\_\_\_\_ of the partnership of \_\_\_\_\_ and acknowledged to me that \_\_\_\_\_ executed said instrument freely and voluntarily for the purposes and use therein mentioned, on behalf of said partnership.

IN TESTIMONY WHEREOF, I have hereunto set my hand and notarial seal the day and year last above written.

My commission expires \_\_\_\_\_

Notary Public in and for said County and State.

## CORPORATE ACKNOWLEDGMENT

STATE OF OREGON,  
County of \_\_\_\_\_ } ss.

THIS CERTIFIES that on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_, before me, the undersigned, a notary public in and for said county and state, personally appeared \_\_\_\_\_ and \_\_\_\_\_, both to me personally known, who, being duly sworn, did say that he, the said \_\_\_\_\_ is the president, and he, the said \_\_\_\_\_ is the secretary of \_\_\_\_\_ the within named corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that the said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said \_\_\_\_\_ and \_\_\_\_\_

acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and notarial seal the day and year last above written.

My commission expires \_\_\_\_\_

Notary Public in and for said County and State.

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