

22592

## MORTGAGE

VOL. 768 PAGE 3915

THIS INDENTURE of mortgage made this 19th day of April, 1968, by and between Circle Box-Lumber Company, an Oregon Corporation, and Eugene C. Venn and Sarah S. Venn, husband and wife, 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 FIVE HUNDRED THOUSAND AND NO/100 (\$ 500,000.00) 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 Klamath, County of Klamath, State of Oregon, and described as follows, to-wit:

Attached to and made a part of that certain MORTGAGE dated April 19, 1968, executed by CIRCLE BOX-LUMBER COMPANY, AN OREGON CORPORATION, AND Eugene C. Venn and Sarah S. Venn, husband and wife, Mortgagor, and UNITED STATES NATIONAL BANK OF OREGON, Mortgagee, in the amount of \$500,000.00.

A parcel of land located in the Southeast quarter of the Southeast quarter of Section 5, Township 39 South Range 9 E.W.M. and being a portion of Government Lots 4 and 5, said Section, Township and Range, more particularly described as follows:

Beginning at a point on the North line of said SE 1/4, which is East along said line a distance of 477.42 feet from the Northwest corner thereof; thence continuing East along said North line a distance of 389.88 feet to a point; thence South 0°43' West a distance of 460.7 feet to a point on the Northwesterly line of a parcel of land deeded to Great Northern Railway Co. by deed recorded October 21, 1927 in Vol. 76 page 635, records of Klamath County, Oregon; thence South 28°43' West, along said Northwesterly line, a distance of 590.02 feet to the Northeasterly corner of a parcel of land deeded to California Oregon Power Co. by deed recorded December 16, 1953 in Volume 264, page 436, records of Klamath County, Oregon; thence West, along the North line of said parcel, a distance of 521.75 feet to the East line of a parcel of land deeded to Klamath County for road purposes by deed recorded November 17, 1948, in Volume 226, page 429, records of Klamath County, Oregon thence North, along the East line of said parcel, to a point which is south along said line, a distance of 208.71 feet from the North line of said Southeast quarter of Southeast quarter, said point also being the Southwest corner of a parcel of land deeded by City of Klamath Falls, to H. A. Nitschelm, et ux, recorded on November 16, 1948 in Volume 226, page 422, records of Klamath County, Oregon; thence East, along the South line of said parcel, a distance of 417.42 feet; thence North along the East line thereof, 208.71 feet to the point of beginning.

"ALSO, ALL furniture, furnishings, fixtures, machinery and equipment owned by the Mortgagor and now installed or to be installed, in the buildings on the above described real property, known as CIRCLE BOX-LUMBER COMPANY, end of Mallard Lane, Klamath Falls, Oregon, including but not limited to the property described in EXHIBIT 'A' hereto attached and by this reference incorporated herein and made part hereof together with all and singular the additional personal property of like nature to that described installed in said buildings subsequent to the execution of this mortgage, and the Mortgagor will, upon request, execute a further mortgage on all of such after-acquired property in terms similar to these presents, to the intent that all such after-acquired property shall be effectively held as security for the payment of the debt hereby secured."

E.C.V. 27  
S.S.V.  
M.C.

27

\* EXHIBIT A \*

CIRCLE BOX LUMBER COMPANY,  
an Oregon Corporation

3916

MACHINERY AND EQUIPMENT

	<u>MODEL</u>	<u>SERIAL NUMBER</u>
Craftsman metal lathe, 36" bed		101585
Single wire binder loader, US, Mtr. 2HP		3176063
St Joe Stitcher, Louis Alice 3 HP Mtr.		B422582
Banford-Premier stitcher, with U.S. Superior 3 HP Mtr.	SM5	23950
Saranoc Stitcher, with master mtr. 5HP	7272	V.J. 209
Square D ratchet-fed clipper, with Star mtr. 3HP		None
Saravac stitcher, with Master 5 HP mtr.	7122	TC828
De Vibiss air compressor with volt 5 HP mtr. also Reliance 3 HP mtr., 3600 RPM	47225	712
Electric Panel		
1-Bulldog switch 400A 600V		F355
1-Bulldog switch 200A 600V		F354
1-Cutler Hammer switch 100A 600V		None
1-Thumle switch 6A 600V		72362
1-G.E. transformer 10KVA		146419
1-Sq. D switch 30A 600V		45341
1-Westinghouse magnetic starter size 1		1040460
5-Bulldog switches 30A 600V	F351	
1-General Electric magnetic starter size 1		none
1-Westinghouse transformer 10KVA	Type F	7137785
1-Cutler Hammer magnetic starter size 1	Type C	4151H31
1-G.E. lighting switch box		TX16S
2-Melco heaters		9-88
Log Deck 4 lane #78 chains 20' long	Shop made	
75 HP Westinghouse gearhead motor		
Log transfer chain 3 lane #78 chains 27' long		51224XA7B
2 HP G.E. gearhead motor		
Blue Babe chain deck saw 7 HP motor. No name plate on saw or motor		None
Circle deck 50" cut-off saw 50 HP G.E. Motor	Shop made	SF6708811
Log transfer chain 3 lane #78 chains 25' long		745583
3 HP U.S. gearhead motor		
Log transfer chain 2 lane #78 chains 20' long	12F2667	5MSA3025
3 HP motor		
Log transfer 2 lane #82 chains 12' long with air stops 2 1/2 HP Westinghouse gear head motor		64F277
Log Deck and log loader 2 lane #78 chains 10' long with air stop and loader	Shop Made	
1 link belt 5 H gear motor		FA4544
Stud mill carriage, air dogs	Shop Made	
air flippers electric auto set works		
1 - 2 HP Pacific gear motor with brake		9052
Saw husk 54" top saw 48" bottom saw	Shop Made	
1 - GS 125 HP motor		5390409
Roll case 12' long all steel	Shop Made	
1 - GS 5 HP gear motor		81247049
Scragg mill 2 lane 36" adjustable saws forward and reverse fed works	Shop Made	
1 - Fairbanks Morse 60 HP motor		490072

- PAGE - 1 -

Dated - April 19, 1968

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28

*REV. H.C.  
S.S.U.*



\* EXHIBIT A \* continued

Circle Box Lumber Company,  
an Oregon Corporation

3917

MACHINERY AND EQUIPMENT

MODEL

SERIAL NUMBER

Electric panel

1-SQ. D switch 800A 600V  
1-Westinghouse switch 400A 600V  
1-Westinghouse switch 400A 600V  
1-Allen Bradley Size 1 magnetic starter  
1-General Electric Size 1 magnetic starter  
1-General Electric Size 1 magnetic starter  
1-General Electric Size 1 magnetic starter  
switch comb.  
3-SQ. D switches 30A 440V  
4-Westinghouse size 1 magnetic starter  
1-SQ. D switch 30A 600V  
1-Westinghouse switch 200A 600V  
2-Cuttler Hammer switches 30A 440V  
1-General Electric size 1 magnetic starter  
1-Westinghouse size 3 magnetic starter  
1-Cuttler Hammer switch 100A 600V  
1-General Electric size 2 magnetic starter  
1-Cuttler Hammer switch 100A 600V  
1-Westinghouse starting comp 100HP  
1-Westinghouse switch 400A 600V  
1-Meyers switch 400A 600V  
1-Cuttler Hammer starting comp 75 HP  
1-SQ. D switch 400A 600V  
1-General Electric starting comp 100HP

1764126  
1764126  
None  
GEH-882A  
GEH-882A  
None

AH-355  
AH-F-355  
None  
438696  
438696  
None

45341  
None  
A2  
1739544  
None  
None  
1956716  
C  
None  
A  
AHF355

None  
A45341  
CAF-354  
None  
None  
11-200-WS3  
4131H26  
CR7006D  
None  
574585  
1764126  
4034  
9586H100D  
88345  
GEH-501

CR1034-K1

Shop Made

2366763

Shop Made

1327434  
4743C

Shop Made

1128832

Shop Made

Missing

Shop Made

Shop Made

Shop Made

5A3557A2  
7182  
5A3657A-1

Shop Made

5J184LG264  
3312  
UGL6699249  
13646R  
136472  
643

35

26A

GIA3-206

Shop Made

K10597-01

Missing

Missing

Edger transfer 2 lane #78

Chain 1 #130 camel back 20' long

1-U.S. 5 HP motor

Gang edger 48"

1-GE 100 HP motor

1-GE 5 HP gear motor

Transfer chain 2 lane #130

camel back 22' long chains

1-US 3/4 HP gearhead motor

Green chain 2 lane #78 chains 24' long

1-U.S. gearhead 3 HP motor

Transfer chain 2 lane 16' #78 chains

2 arm tilt hoist

10' belt sticker conveyor

1-Ajax 5 HP gearmotor

1-Master 1 1/2 HP gearmotor

1-Ajax 3 HP gearmotor

Transfer chain 2 lane 16' #78 chains

1-GE 2 HP gearmotor

Irvington cut-off

1-GE 5 HP motor

Irvington Cut-off

Irvington 7 1/2 HP motor

Acme steel bander

Transfer chain 2 lane 20' #42 chain

1-Sterling SLO-Speed 1/2 HP motor

Conveyor belt 20' wide 18' long

1-GE 2 HP gearhead

Rev. M.C.  
S.S.V.



\* EXHIBIT A' continued

Circle Box Lumber Company,  
an Oregon Corporation

MACHINERY AND EQUIPMENT

Double-arbor gang rip saw planer, combination  
1-GE 50 HP motor  
1-Westinghouse 20 HP motor  
1-Sterling 1 1/2 HP gearhead motor  
Turn table 8' diameter  
1-Master 1 1/2 HP gear head motor  
Turn table 8' diameter  
1-Dayton 1/2 HP gearhead motor  
1-Bulldog switch 100A 600V  
1-General Electric size 2 magnetic starter  
2-Cutler Hammer switches 30A 440V  
1-Westinghouse magnetic starter size 1  
1-Sq. D switch 30A 440V  
1-Cutler Hammer magnetic starter size 1  
1-Trumble ele. switch 100A 600V  
1-Cutler Hammer size 2 magnetic starter  
1-General Electric switch 200A 600V  
1-Dayton size 3 magnetic starter  
1-G.E. switch 30A 600V  
1-G.E. magnetic starter size 1  
1-G.E. magnetic starter size 1  
1-Westinghouse magnetic starter  
1-Thumbule Ele. switch 60A 600V  
1-Cutler Hammer magnetic starter size 3  
1-Cutler Hammer switch 30A 600V  
1-G.E. magnetic starter size 1  
1-G.E. switch 30A 600V  
1-Westinghouse magnetic starter size 1  
1-Cutler Hammer switch 30A 600V  
1-Cutler Hammer magnetic starter size 1  
1-Cutler Hammer switch 30A 600V  
1-Cutler Hammer magnetic starter size 1  
1-G.E. switch 30A 600V  
1-Westinghouse magnetic starter size 1 Class 11-200  
1-Cutler Hammer switch 30A 600V  
1-Cutler Hammer magnetic starter size 1  
1-Cutler Hammer switch 30A 600V  
1-Westinghouse magnetic starter size 2  
1-Cutler Hammer switch 30A 600V  
1-Cutler Hammer magnetic starter size 1  
1-Cutler Hammer switch 30A 600V  
1-Cutler Hammer magnetic size 1  
1-Bulldog switch 60A 600V  
1-Sq. D magnetic starter size 3  
1-Sq. D switch 30A 600V  
1-Cutler Hammer magnetic starter size 1  
Miller cleat machine with planer attachments  
1-Fairbanks Morse 25 HP Motor  
1-US 3/4 HP motor  
Bundling and banding turntable  
Conveyor belt 6" wide 75' long  
1-Master 2 HP motor  
Bolter  
1-GE 2 Hp.  
1-Westinghouse 25 HP motor  
Salem feed works  
1-50 HP motor (no identification)

MODEL

SERIAL NUMBER

Shop Made

637-431  
4812  
736-43

Shop Made

141561

Shop Made

None  
None  
None  
None

1404075

None  
None  
None  
None  
None  
5X054  
None  
ER106  
None  
11200K0Enn  
None  
9586H2493A  
None  
None  
None  
1532852-A  
None  
None  
None  
None  
None  
TH3361  
None  
4131H311  
None  
4131H311  
1577457  
None  
None  
4131H311  
None  
848355  
8536  
None  
None  
None  
None  
None

Shop Made

Shop Made

141447  
None  
4543063  
1-22V421  
166-1225

16

*per M.C.  
S.S.U.*

30



'EXHIBIT A' continued

3919

Circle Box Lumber Company  
an Oregon Corporation

MACHINERY AND EQUIPMENT

	<u>MODEL</u>	<u>SERIAL NUMBER</u>
Hill type log turner	Shop Made	None
6" x 36" air cylinder		None
6" x 16" air cylinder and controls		
Sawdust conveyor #82 chain all steel 34' long	12F2667	6351225
1-C.E. 3 HP gearhead motor	long	
Air tank state tested 150 lbs. 36" diameter 132" long	Missing	Missing
Chicago pneumatic air compressor		068130
1-Newman 60 HP motor	Shop Made	
Planer infed chain 2 lane		
#78 chains 18'6" long		
1-G.E. 5 HP motor and gear box	5K2540136	VC20330
Newman planer feed table	55	9341
Newman 6 knife ball bearing planer	512	Missing
1-Allis Chalmers 100 HP motor	30225K-823ES2-1	
Planer electrical panel		
1-Westinghouse switch 400A 600V Type A		None
1-Cutler Hammer switch 30A 600V		None
1-Cutler Hammer magnetic starter size 1		9586
1-Sq. D switch 30A 600V		45341
1-General Electric magnetic starter size 1		12345G
1-Bulldog switch 30A 600V		45341
1-General Electric magnetic starter size 1		None
1-Bulldog switch 30A 600V		None
1-Westinghouse magnetic starter size 1		None
1-Sq. D switch 200A 600V		46344
1-General Ele. magnetic starter size 3		CR2824-B1
1-Sq. D switch 600A 600V		88346
1-Cutler Hammer switch 30A 600V		None
1-Cutler Hammer magnetic starter size 1		None
1-Thumbul switch 30A 600V		None
1-General Ele. magnetic starter #1		None
Medford blower and pipe 36" blower	None	None
1-G.E. 50 HP motor	5K4445C1	5925630
Adjustable stud trimmer	Shop Made	
2- 5 HP 3600 RPM arbor motors	Missing	Missing
Planer green chain 2 lane #78 chains 50' long		
1-G.E. 5 HP motor and gear box	5K2540136	PD25104
Main waste conveyor 210' 3/4x6" long length chain		
all steel trough		
1-G.E. 25 HP motor	5K1364F1	WD6718635
Montgomery blow hog size 26"	ERHD	508
1-Westinghouse 75 HP motor	CR	4167428
Waste conveyor, all steel #78 chain 16' long		
1-G.E. 5 HP gearhead motor	1F925	5296721
Waste conveyor, all steel #78 chain 42' long		
1-G.E. 3 HP motor	5K225E877	RH5-306
1-Link belt gearhead		YMO-76032E
6" cyclone (no name or make)		320
Marathon #200 Cant gangsaw		58324131
2- Standard Kiln Co. fans 6"		
1-General Electric 7 1/2 HP 970 RPM motor		
1-Blower - no name or number		DD1851B
Blower motor 3 HP		

- PAGE 4 -

Dated April 19, 1968

31  
REV. H.C.  
S.S.V.

CONTINUED



\*EXHIBIT A\* continued

Circle Box Lumber Company  
an Oregon Corporation

3920

MACHINERY AND EQUIPMENT

MODEL

SERIAL NUMBER

1-Fairbanks Morse 10 HP  
1-Gas Burner for kiln - Ray Burner Co.  
type P.G. size 21.1 to 2.5 million B.T.U.  
1-Fluid power gas valve Type V4034A1169-2  
1-Burner motor Century 1/3 HP  
Electric panel for kiln

QZK

487092  
241268

AP4

1-Thumbul Electric switch 100A 600V  
1-Cutler Hammer switch 60A 600V  
1-Sq. D magnetic starter size 1  
1-Bulldog magnetic starter size 3  
1-G.E. magnetic starter size 1  
1-Cutler Hammer magnetic starter size 1  
1-Bulldog switch 30A 600V  
1-Bulldog switch 60A 600V  
1-G.E. 5 KVA transformer

C

40353  
413H25  
None  
None  
None  
None  
None  
None  
None

Western Machine Corporation dump machine with hoist,  
heavy Ford industrial motor 2A  
1965 International loadster with Schetky 16' 1600  
heavy duty flat bed

51860  
5B459293F

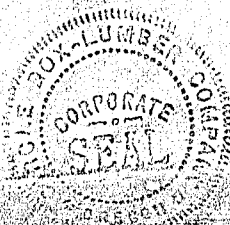
Coe 4 Ft. Core Lathe  
75 HP AC-DC Motor-Generator set Lathe Drive;  
w/Redco control in box  
Core lathe Tipple w/hoist motor  
Tray control system w/2 DCmotors; Amplidyne & Button  
control panel in lathe box  
A-C 7-1/2 HP motor w/Pacific 19.93 to 1 ratio gear  
reducer and drive chain  
670 feet 78 chain w/head and tail shafts  
70 ft. -4 tray veneer storage system w/clutches  
Outfeed Tipple w/linkbelt 1 HP 45 RPM, gearhead motor  
Lathe charger w/Pneu. cylinders 82 feed chain and controls  
GE 2 HP motor w/Falk 30 RPM gear reducer and Drive chain  
3 Ft. -2 arm breakdown hoist w/G.E. Pacific 3 HP, 45 RPM  
gearhead motor

CIRCLE BOX LUMBER COMPANY,  
an Oregon Corporation

BY: Reginald C. Venn President

BY: Walter Chapman Secretary

S.S.V.



Dated April 19, 1968

32



3921

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 FIVE HUNDRED THOUSAND AND NO/100 \* \* \* \* \* (\$500,000.00) dollars, to be repaid according to the terms of one principal note of even date executed by the mortgagor for FIVE HUNDRED THOUSAND AND NO/100 \* \* \* \* \* (\$500,000.00) dollars, and repayable

monthly \* \* \* \* \* the unpaid balance of principal and interest, if any then remains unpaid, to be due and payable seven 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 FIVE HUNDRED THOUSAND AND NO/100 \* \* \* \* \* (\$500,000.00) 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 FIVE HUNDRED THOUSAND AND NO/100 \* \* \* \* \* (\$500,000.00) dollars, with interest thereon, according to the tenor and effect of said note, and of any extensions or renewals thereof or of any



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 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; 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.

Eugene C. Venn  
Eugene C. Venn

CIRCLE BOY LUMBER COMPANY, AN OREGON CORPORATION

By: Eugene C. Venn President

By: John Chapman Secretary

Sarah S. Venn  
Sarah S. Venn

# INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON, } ss.  
County of Klamath

THIS CERTIFIES that on this 19th day of April, 1968, before me, the undersigned, a Notary Public in and for the said county and state, personally appeared the within named Eugene C. Venn and Sarah S. Venn who are known to me to be the identical person described in and who executed the within instrument and acknowledged to me that they 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 7-14-68

George J. [Signature]  
Notary Public in and for said County and State

35



# Mortgage

*Circle Box Lumber Co. Inc.  
Oregon Corporation  
Eugene C. Venn*

TO  
UNITED STATES NATIONAL BANK  
OF OREGON

STATE OF OREGON,  
County of *Klamath* ss.

I certify that the within instrument was received for record on the *1* day of *May* 19 *68* at *4:37* o'clock *P* M. and recorded in Book *2262* on page *3915* Record of Mortgages of said County.

Witness my hand and seal of County affixed.

*Dorothy Rogers*  
County Clerk (Recorder)  
By *Loggins L. Decker* Deputy

AFTER RECORDING RETURN TO:  
UNITED STATES NATIONAL BANK  
OF OREGON

*Klamath Falls 429* BRANCH  
*Post Office Box 989* ADDRESS  
*Klamath Falls* OREGON  
for the attention of:  
*C. V. Knutson* Department  
*Assistant Manager*

## 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 \_\_\_\_\_ he \_\_\_\_\_ 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 *Klamath* ss.

THIS CERTIFIES that on this *19th* day of *April*, 19 *68*, before me, the undersigned, a notary public in and for said county and state, personally appeared *Eugene C. Venn* \* \* \* and *Milo Chapman* \* \* \* both to me personally known, who, being duly sworn, did say that he, the said *Eugene C. Venn* is the president, and he, the said *Milo Chapman* is the secretary of *CIRCLE BOX-LUMBER COMPANY, an Oregon Corporation,* 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 *Eugene C. Venn* and *Milo Chapman* 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 *7-14-68*

*Jack P. [Signature]*  
Notary Public in and for said County and State.

36