

23917

VOL. 1468 PAGE 5540

This Indenture, made this 20th day of June, 1968, between

HARRY R. WAGGONER and NORMA E. WAGGONER, Husband and Wife

JOHN D. MERRYMAN and MILDRED I. MERRYMAN, Husband and Wife

herein.

after called "Mortgagor", and THE FIRST NATIONAL BANK OF OREGON, PORTLAND, a national banking association, hereinafter called "Mortgagee";

WITNESSETH:

For value received by the Mortgagor from the Mortgagee, the Mortgagor has bargained and sold and does hereby grant, bargain, sell and convey unto the Mortgagee, all the following described property situate in

KLAMATH County, Oregon, to wit:

PARCEL 1: That portion of Lot 8 in Block 34 of Original Town of Klamath Falls, Oregon, (formerly Linkville) described as follows: Beginning at the Northeasterly corner of Lot 8 in Block 34; thence Westerly along the Southerly line of Main Street, 44 feet; thence Westerly along the Southerly line of Main Street, 44 feet; thence Southerly at a right angle with Main Street and parallel with Third Street, 100 feet; thence Easterly and parallel with Main Street 44 feet to Westerly line of Third Street; thence Northerly along the Westerly line of Third Street, 100 feet to the point of beginning.

Parcel 2: Lot 7, Block 34 in Original Town of Klamath Falls, (formerly Linkville) Oregon, EXCEPT 20 feet off the Southeasterly end of said lot used as an alley.

Parcel 3: Beginning at the most Northerly corner of Lot 7, in Block 34 in the Original Town of Klamath Falls (formerly Linkville), Oregon, which point is at the intersection of the Southeasterly line of Main Street with centerline of the wall between the storeroom of the building situate on the premises herein described and the storeroom in the same building which is located on Lot 7 of said block; thence Northeasterly along the Southeasterly line of Main Street a distance of 22.5 feet; thence Southeasterly parallel to the line between Lots 7 and 8 of said Block 34 a distance of 100 feet to the Northwesterly line of the alley, thence Southwesterly along the Northwesterly line of the alley a distance of 22.5 feet to the Southwesterly line of Lot 8; thence Northwesterly along the Southwesterly line of Lot 8, which line is also the centerline of the wall above mentioned, a distance of 100 feet to the point of beginning, being a portion of Lot 8 in said Block 34.

together with the tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in anywise appertaining; also all such apparatus, equipment and fixtures now or hereafter situate on said premises, as are ever furnished by landlords in letting unfurnished buildings similar to the one situated on the real property hereinabove described, including, but not exclusively, all fixtures and personal property used or intended for use for plumbing, lighting, heating, cooking, cooling, ventilating or irrigating, linoleum and other floor coverings attached to floors, and shelving, counters, and other store, office and trade fixtures; also the rents, issues and profits arising from or in connection with the said real and personal property or any part thereof.

On Here and On Hold the same unto the Mortgagee, its successors and assigns, forever.

And the Mortgagor does hereby covenant to and with the Mortgagee, that he is lawfully seized in fee simple of the said real property, that he is the absolute owner of the said personal property, that the said real and personal property is free from encumbrances of every kind and nature, and that he will warrant and forever defend the same against the lawful claims and demands of all persons whomsoever.

5541

This conveyance is intended as a mortgage to secure performance of the covenants and agreements herein contained, to be by the Mortgagor kept and performed, and to secure the payment of the sum of \$ 250,000.00

and interest thereon in accordance with the tenor of a certain promissory note executed by

HARRY R. WAGGONER and NORMA E. WAGGONER, Husband and Wife

JOHN D. MERRYMAN and MILDRED I. MERRYMAN, Husband and Wife

dated June 20, 1968 payable to the order of the Mortgagee in installments not less than \$ 1,901.00 each, including interest, on the 20th day of each month commencing September 20, 1968 until August 20, 1988, when the balance then remaining unpaid shall be paid.

The Mortgagor does hereby covenant and agree to and with the Mortgagee, its successors and assigns:

1. That he will pay, when due, the indebtedness hereby secured, with interest, as prescribed by said note, and all taxes, liens and utility charges upon said premises or for services furnished thereto.

2. That he will not commit or permit strip or waste of the said premises or any part thereof; that he will keep the real and personal property hereinabove described in good order and repair and in tenantable condition; that he will promptly comply with any and all municipal and governmental rules and regulations with reference thereto; that if any of the said property be damaged or destroyed by any cause, he will immediately reconstruct or repair the same so that, when completed, it shall be worth not less than the value thereof at the time of such loss or damage; provided, that if such loss or damage shall be caused by a hazard against which insurance is carried, the obligation of the Mortgagor to repair or reconstruct shall not arise unless the Mortgagee shall consent to the application of insurance proceeds to the expense of such reconstruction or repair.

3. That he will, at his own cost and expense, keep the building or buildings now or hereafter upon said premises, together with all personal property covered by the lien hereof, insured against loss by fire and against loss by such other hazards as the Mortgagee may from time to time require, in one or more insurance companies satisfactory to or designated by the Mortgagee in an aggregate amount not less than the amount of the indebtedness hereby secured (unless the full insurable value of such building or buildings is less than the amount hereby secured, in which event the Mortgagor shall insure to the amount of the full insurable value); that all policies of insurance upon said premises, including policies in excess of the amount hereinabove mentioned and policies against other hazards than those required, shall contain such provisions as the Mortgagee shall require and shall provide, in such form as the Mortgagee may prescribe, that loss shall be payable to the Mortgagee; that all such policies and receipts showing full payment of premiums therefor shall be delivered to and retained by the Mortgagee during the existence of this mortgage; that at least 5 days prior to the expiration of any policy or policies he will deliver to the Mortgagee satisfactory renewals thereof together with premium receipts in full; that if any policy or policies shall impose any condition upon the liability of the insurer or shall contain any "average clause" or other provision by which the insurer may be liable for less than the full amount of the loss sustained, he will, as often as the Mortgagee may require, provide the Mortgagee with all such evidence as it may request concerning the performance of such condition or the existence of any facts or the value of the property insured and, if it shall appear to the Mortgagee that the insurance is prejudiced by the acts or omissions of the Mortgagor or that the coverage is inadequate, the Mortgagor will do such acts and things and obtain such further insurance as the Mortgagee may require; that the Mortgagee may, at its option, require the proceeds of any insurance policies upon the said premises to be applied to the payment of the indebtedness hereby secured or to be used for the repair or reconstruction of the property damaged or destroyed.

4. That he will execute or procure such further assurance of his title to the said property as may be requested by the Mortgagee.

5. That in case the Mortgagor shall fail, neglect or refuse to do or perform any of the acts or things herein required to be done or performed, the Mortgagee may, at its option, but without any obligation on its part so to do, and without waiver of such default, procure any insurance, pay any taxes or liens or utility charges, make any repairs, or do any other of the things required, and any expenses so incurred and any sums so paid shall bear interest at 3% per annum and shall be secured hereby.

6. That, if any default be made in the payment of the principal or interest of the indebtedness hereby secured or in the performance of any of the covenants or agreements of this mortgage, the Mortgagee may, at its option, without notice, declare the entire sum secured by this mortgage due and payable and foreclose this mortgage.

13

5542

7. That, in the event of the institution of any suit or action to foreclose this mortgage, the Mortgagor will pay such sum as the court may adjudge reasonable as attorney's fees in connection therewith and such further sums as the Mortgagee shall have paid or incurred for extensions of abstracts or title searches or examination fees in connection therewith, whether or not final judgment or decree therein be entered and all such sums are secured hereby; that in any such suit, the court may, upon application of the plaintiff and without regard to the condition of the property or the adequacy of the security for this indebtedness hereby secured and without notice to the Mortgagor or any one else, appoint a receiver to take possession and care of all said mortgaged property and collect and receive any or all of the rents, issues and profits which had theretofore arisen or accrued or which may arise or accrue during the pendency of such suit; that any amount so received shall be applied toward the payment of the debt secured hereby, after first paying therefrom the charges and expenses of such receivership; but until a breach or default by the Mortgagor in one or more of his covenants or agreements herein contained, he may remain in possession of the mortgaged property and retain all rents actually paid to and received by him prior to such default.

8. The word "Mortgagor", and the language of this instrument shall, where there is more than one mortgagor, be construed as plural and be binding jointly and severally upon all mortgagors and the word "Mortgagee" shall apply to any holder of this mortgage. Masculine pronouns include feminine and neuter. All of the covenants of the Mortgagor shall be binding upon his heirs, executors, administrators, successors and assigns and inure to the benefit of the successors and assigns of the Mortgagee. 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 primary liability of the Mortgagor for the payment of the indebtedness hereby secured. No condition of this mortgage shall be deemed waived unless the same be expressly waived in writing by the Mortgagee. Whenever any notice, demand, or request is required by the terms hereof or by any law now in existence or hereafter enacted, such notice, demand or request shall be sufficient if personally served on one or more of the persons who shall at the time hold record title to the property herein described or if enclosed in a postpaid envelope addressed to one or more of such persons or to the Mortgagor at the last address actually furnished to the Mortgagee or at the mortgaged premises and deposited in any post office, station or letter box.

In Witness Whereof, the Mortgagor... have... hereunto set their... hands... and seals... the day and year first hereinabove written.

Harry R. Waggoner (SEAL)
Harry R. Waggoner

Norma E. Waggoner (SEAL)
Norma E. Waggoner

John D. Merryman (SEAL)
John D. Merryman

Mildred I. Merryman (SEAL)
Mildred I. Merryman

STATE OF OREGON

County of Klamath

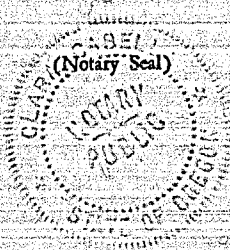
ss.

June 20,

A. D. 1968

Personally appeared the above-named...
HARRY R. WAGGONER and NORMA E. WAGGONER
JOHN D. MERRYMAN and MILDRED I. MERRYMAN

and acknowledged the foregoing instrument to be... their... voluntary act and deed. Before me:



Clara A. Becker
Notary Public for Oregon.

My Commission Expires: April 8, 1972

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of *Klamath County, Little Co.*
this *20* day of *June*, A. D. 1968 at *3:46* o'clock P. M., and
duly recorded in Vol. *168*, of *Mortgages*, on Page *5540*
DOROTHY ROGERS, County Clerk

See 4th *Louise M. Knutson*