

SECOND MORTGAGE

THIS MORTGAGE, Made this 12 day of October, 1972, by
EDGAR L. VIETS, personally, and VIETS & VIETS, INC., an Oregon
corporation, Mortgagor, to ALTON WOODARD and MARY ELEANOR WOODARD,
Husband and Wife, Mortgagee;

WITNESSETH:

THAT said mortgagor, in consideration of TWO HUNDRED NINETY-
NINE THOUSAND, SEVEN HUNDRED SEVENTY AND NO/100 DOLLARS (\$299,770.00)
to him paid by said Mortgagee, does hereby grant, bargain, sell and
convey unto said Mortgagee, his heirs, executors, administrators and
assigns, that certain real property, situated in Klamath County, State
of Oregon, bounded and described as follows, to-wit:

PARCEL 1: Portion of Tracts 36 and 43 ENTERPRISE
TRACTS, CITY OF KLAMATH FALLS, Klamath County, Oregon,
more particularly described as follows:

Beginning at an iron pin which is at the intersection
of the Northeasterly boundary of a parcel of land used
for road purposes and known as Pershing Way with the
Northwesterly boundary of a parcel of land deeded for
road purposes and known as Avalon Street and described
as Parcel 1 in Deed Volume 229, page 300, said point
of beginning being South $0^{\circ}00\frac{1}{2}'$ East 542.44 feet and
thence South $55^{\circ}50\frac{1}{2}'$ East 861.61 feet from the North-
west corner of said Section 3, and which point of
beginning is 310 feet measured at right angles from
the centerline of South Sixth Street; thence North
 $55^{\circ}50\frac{1}{2}'$ West along the Northeasterly boundary of
Pershing Way 245.22 feet to an iron pin on the South-
easterly corner of that tract of land described in
Deed Volume 309 at page 66; thence North $0^{\circ}00\frac{1}{2}'$ West
along the Easterly line of said tract of land 168.55
feet to an iron pin; thence South $59^{\circ}21\frac{1}{2}'$ East at right
angles to Avalon Street 330.67 feet to an iron pin on
the Northwesterly boundary of Avalon Street; thence
South $30^{\circ}38\frac{1}{2}'$ West along the Northwesterly boundary
of Avalon Street 160.04 feet, more or less to the
point of beginning.

PARCEL 2: Portion of Tracts 36 and 43 ENTERPRISE
TRACTS, CITY OF KLAMATH FALLS, Klamath County, Oregon,
more particularly described as follows:

Beginning on the Southerly line of Shasta Way, South
 $0^{\circ}00\frac{1}{2}'$ East 73 feet and North $89^{\circ}54'$ East 280 feet from
the Section corner common to Sections 33 and 34, Town-
ship 38 South, Range 9 East of the Willamette Meridian
and Sections 3 and 4, Township 39 South, Range 9 East of
the Willamette Meridian; thence South $0^{\circ}00\frac{1}{2}'$ East parallel
with the West line of said Tract 43 along the East line
of the tracts of land described in 2 deeds recorded in

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1 Deed Volume 225 at page 261 and Deed Volume 255 at
2 page 613, 659.44 feet to the Northeast line of Pershing
3 Way; thence South 55°50½' East 277.99 feet along said
4 Northeasterly line of Pershing Way; thence North 0°00½'
West 820 feet more or less to the Southerly line of
Shasta Way; thence South 89°54' West 230 feet to the
point of beginning.

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

11 TO HAVE AND TO HOLD the said premises with the appurtenances
12 unto the said Mortgagee, his heirs, executors, administrators and
13 assigns forever.

14 This mortgage is intended to secure the payment of a promissory
15 note, of which the following is a substantial copy:

INSTALLMENT NOTE

1 \$299,770.00

Klamath Falls, Oregon, October 12, 1972

2 We, jointly and severally, promise to pay to the order of
3 Alton Woodard and Mary Eleanor Woodard, Husband and Wife, and upon
4 the death of either of them, then to the order of the survivor of them,
5 at the United States National Bank, Town and Country Branch, Klamath
6 Falls, Oregon, the sum of TWO HUNDRED NINETY-NINE THOUSAND SEVEN
7 HUNDRED SEVENTY AND NO/100 DOLLARS (\$299,770.00), with interest thereon
8 at the rate of six percent per annum from October 1, 1972, until paid,
9 payable in equal installments, at the dates and in the amounts as
10 follows: 240 equal installments including six percent interest on the
11 unpaid balance, the first payment due November 3, 1972, and additional
12 payments on the same day of each month thereafter until paid in full;
13 the interest to be paid is included in the payments above required;
14 said payments shall continue until the whole sum hereof, principal and
15 interest, has been paid. If any of said installments is not so paid,
16 all principal and interest shall become immediately due and collectible
17 at the option of the holder of this note. If this note is placed in
18 the hands of an attorney for collection, we promise and agree to pay
19 the reasonable attorney's fees and collection costs of the holder
20 hereof; and if suit or action is filed hereon, also promise to pay
21 (1) holder's reasonable attorney's fees to be fixed by the trial court,
and (2) if any appeal is taken from any decision of the trial court,
such further sum as may be fixed by the appellate court, as the holder's
reasonable attorney's fees in the appellate court.

It is the intention of the parties hereto that the said payees do
not take the title hereto as tenants in common but with the right of
survivorship, that is, on the death of any of the payees, the right to
receive payment of the then unpaid balance of principal and interest
shall vest absolutely in the survivor of them.

Viets & Viets, Inc.

By /s/ Edgar L. Viets
President

By /s/ Mary Thacker
Secretary

/s/ Edgar L. Viets
Edgar L. Viets, Personally

1 The mortgagor warrants that the proceeds of the loan repre-
2 sented by the above described note and mortgage are for business and
3 commercial purposes other than agricultural.

4 This mortgage is inferior, secondary and made subject to a
5 prior mortgage on the above described real estate made by Edgar L.
6 Viets, and Viets & Viets, Inc., an Oregon corporation, to the United
7 States National Bank of Oregon, Town and Country Branch, 3720 South
8 Sixth Street, Klamath Falls, Oregon, dated the 5 day of October,
9 1972, and recorded in the Mortgage Records of the above named County
10 in Book _____, page _____, thereof. The said first mortgage was
11 given to secure a note for the principal sum of THREE HUNDRED NINETY
12 THOUSAND AND NO/100 DOLLARS (\$390,000.00); the unpaid principal balance
13 thereof on the date of the execution of this instrument is 390,000
14 and no more; interest thereon is paid to 13 day of October, 1972;
15 said prior mortgage and the obligations secured thereby hereinafter,
16 for brevity, are called simply "first mortgage".

17 The mortgagor covenants to and with the mortgagee, his heirs,
18 executors, administrators and assigns, that he is lawfully seized
19 in fee simple of said premises; that the same are free from all encum-
20 brances except said first mortgage; and that he will warrant and forever
21 defend the same against all persons. Further, that he will do and
22 perform all things required of him and pay all obligations due or to
23 become due under the terms of said first mortgage, as well as the
24 note secured hereby, principal and interest, according to the terms
25 thereof; that while any part of the note secured hereby remains unpaid
26 he will pay all taxes, assessments and other charges of every nature
27 which may be levied or assessed against said property, or this mort-
28 gage or the said note secured hereby, when due and payable and before
29 the same become delinquent; that he will promptly pay and satisfy
30 any and all liens or encumbrances that are or may become liens on the
31 premises or any part thereof, superior to the lien of this mortgage.
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1 Until in default, mortgagor shall remain in possession and
2 control of the property and to the extent that the property consists
3 of commercial improvement, shall be free to operate and manage the
4 property, receive the proceeds of operation. The property shall be
5 maintained in good condition at all times. Mortgagor shall promptly
6 make all necessary repairs, replacements and renewals so that the
7 value of the property shall be maintained, and mortgagor shall not
8 commit or permit any waste on the property. Mortgagor shall comply
9 with all laws, ordinances, regulations and private restrictions
10 effecting the property; to the extent that the property constitutes
11 commercial property, mortgagor shall operate the property in such
12 manner as to prevent the deterioration of the land and improvements,
13 except for reasonable wear and tear from proper use. Mortgagor shall
14 not demolish or remove any improvement from the property without the
15 written consent of mortgagee.

16 Mortgagor will keep the buildings now on or which hereafter
17 may be erected on said premises continuously insured against loss or
18 damage by fire and such other hazards as the mortgagee may from time
19 to time require, in an amount as may be reasonably required by
20 mortgagee, and in a company or companies acceptable to the mortgagee
21 herein, with loss payable first to the holder of the first mortgage,
22 second to the mortgagee named herein, and then to the mortgagor, as
23 their respective interests may appear. All policies of insurance
24 shall be delivered to the holder of the said first mortgage as soon
25 as insured, and a certificate of insurance is executed by the company
26 in which said insurance is written, showing the amount of said coverage,
27 shall be delivered to the said mortgagee named in this instrument.
28 At least 30 days prior to the expiration of any policy, a satisfactory
29 renewal or substitute policy shall be secured by mortgagor. And if
30 the mortgagor shall fail for any reason to procure any such insurance
31 and to deliver any such policies of the aforesaid at least 15 days
32 prior to the expiration of any policy of insurance now or hereafter

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BEDDOE, HENDERSON & HAMILTON
ATTORNEYS AT LAW
290 MAIN STREET
KLAMATH FALLS, OREGON 97601

1 placed on said buildings, the mortgagee shall procure the same at
2 mortgagor's expense. In the event any personal property is part
3 of the security of this mortgage, then at the request of the mort-
4 gagee, the mortgagor shall join with the mortgagee in executing one
5 or more financing statements pursuant to the Uniform Commercial Code
6 in form satisfactory to the mortgagee and will pay for filing the same
7 in the proper public office or offices, as well as the cost of all
8 lien searches made by filing officers or searching agencies as may
9 be deemed desirable by the mortgagee.

10 If all or any part of the property is condemned, the mortgagee may
11 at its selection, require that all or any portion of the net proceeds
12 of the award be applied on the indebtedness, subject to the interest
13 of the first mortgage mentioned above. The net proceeds of the award
14 shall mean the award after payment of all reasonable costs, expenses
15 and attorney fees necessarily paid or incurred by mortgagor and the
16 mortgagee in connection with the condemnation. If any proceedings
17 in condemnation are filed, mortgagor shall promptly take such steps
18 as may be necessary to defend the action and obtain the award.

19 This instrument shall constitute a security agreement with
20 respect to any personal property included within the description of
21 the property. Mortgagor shall join with the mortgagee in executing
22 one or more financing statements under the Uniform Commercial Code
23 and shall file a statement at mortgagor's expense in all public
24 offices where filing is required to perfect the security interest of
25 the mortgagee, and any personal property under the Uniform Commercial
26 Code.

27 Now Therefore, if said mortgagor shall keep and perform the
28 covenants herein contained and shall pay all obligations secured by
29 said first mortgage as well as the note secured hereby according to
30 its terms, this conveyance shall be void; but otherwise, shall remain
31 in full force as a mortgage to secure the performance of all of said
32 covenants and the payments of the note secured hereby; it being agreed

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BEDDOE, MONROE & HAMILTON
ATTORNEYS AT LAW
206 MAIN STREET
KLAMATH FALLS, OREGON 97601

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1 that a failure to perform any covenant herein, or if a proceeding
2 of any kind be taken to foreclose any lien on said premises, or
3 any part thereof, the mortgagee shall have the option to declare the
4 whole amount unpaid on said note, or on this mortgage at once due
5 and payable; and this mortgage may be foreclosed at any time there-
6 after. And if the mortgagor shall fail to pay any taxes or charges
7 or any lien, encumbrance or insurance premium as above provided for,
8 or fail to do or perform anything required of him by said first
9 mortgage, the mortgagee herein, at his option, shall have the right
10 to make such payments and to do and perform the acts required of
11 the mortgagor under said first mortgage; and any payment so made,
12 together with the cost of such performance, shall be added to and
13 become a part of the debt secured by this mortgage, and shall bear
14 interest at the same rate as the note secured hereby without waiver,
15 however, of any right arising to the mortgagee for breach of covenant.
16 And this mortgage may be foreclosed for principal, interest and all
17 sums paid by the mortgagee at any time while the mortgagor neglects
18 to repay any sums so paid by the mortgagee. In the event of any suit
19 or action being instituted to foreclose this mortgage, the mortgagor
20 agrees to pay all reasonable costs incurred by the mortgagee for title
21 reports and title search, all statutory costs and disbursements and
22 such further sum as the trial court may adjudge reasonable as plain-
23 tiff's attorney's fees in such suit or action, and if an appeal is
24 taken from any judgment or decree entered therein, mortgagor further
25 promises to pay such sum as the appellate court shall adjudge reason-
26 able as plaintiff's attorney's fees on such appeal, all such sums to
27 be secured by the lien of this mortgage and included in the decree of
28 foreclosure.

29 Each of and all of the covenants and agreements herein contained
30 shall apply to and bind the heirs, executors, administrators and
31 assigns of said mortgagor and of said mortgagee respectively.
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1 In case suit or action is commenced to foreclose this mortgage,
2 the Court may, upon motion of the mortgagee, appoint a receiver to
3 collect the rents and profits arising out of said premises during
4 the pendency of such foreclosure, and apply the same, after first
5 deducting all of said receiver's proper charges and expenses, to
6 the payment of the amount due under this mortgage.

7 In construing this mortgage, it is understood that the mort-
8 gagor or mortgagee may be more than one person; that if the context
9 so requires, the singular pronoun shall be taken to mean and include
10 the plural, the masculine, the feminine and the neuter, and that
11 generally all gramatical changes shall be made, assumed and implied
12 to make the provisions hereof apply equally to corporations and to
13 individuals.

14 IN WITNESS WHEREOF, said mortgagor has hereunto set his hand
15 the day and year first above written.

16 MORTGAGOR:

17 Viets & Viets, Inc.

18

19 By Edgar L. Viets
President

Edgar L. Viets
Edgar L. Viets, Personally

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21 By Mary Thacker
22 Secretary

23 STATE OF OREGON)
24 County of Klamath) ss:

25 On October 12, 1972, personally appeared Edgar L. Viets,
26 President of Viets & Viets, Inc., and Mary Thacker,
27 Secretary of Viets & Viets, Inc., who being sworn, stated that he,
28 Edgar L. Viets is President, and she, Secretary, is
29 Secretary of Grantor corporation, and that the seal affixed hereto
30 is its seal, and that this date was voluntarily signed and sealed in
31 behalf of the corporation by authority of its Board of Directors.

32 Before me, a Notary Public for Oregon:

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BEDDOGE & HAMILTON
ATTORNEYS AT LAW
296 MAIN STREET
KLAMATH FALLS, OREGON 97601

Ross Hamilton
My Commission Expires: July 26
1975

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1 MORTGAGEE:

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Alton Woodard
Alton Woodard

Mary Eleanor Woodard
Mary Eleanor Woodard

STATE OF OREGON, }
County of Klamath } ss.

Filed for record at request of:
BEDDOE & HAMILTON

on this 13 day of OCTOBER A. D., 19 72
at 10:36 o'clock A.M. and duly
recorded in Vol. M 72 of MORTGAGE
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WM. D. MILNE, County Clerk

By Harold Drayton
Fee \$ 16.00 Deputy.