

THIS INDENTURE WITNESSETH: That Lockett C. Ballard

of the County of Klamath, State of Oregon, for and in consideration of the sum of Seven Thousand and no/100-----Dollars (\$7,000.00), to him in hand paid, the receipt whereof is hereby acknowledged, he S granted, bargained, sold and conveyed, and by these presents do S grant bargain, sell and convey unto James H. Ballard, Sr. and Susan A. Ballard, husband and wife,

of the County of Klamath, State of Oregon, the following described premises situated in Klamath County, State of Oregon, to-wit:

Lot 31 of Section 5 and that part of Lot 2 of Section 8, lying Easterly of Highway No. 62, all in Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

SUBJECT TO: SAVING AND EXCEPTING THEREFROM that portion deeded to the State Highway Commission in Volume 121 page 265 and 266, Deed records of Klamath County, Oregon; rights of the public in any portion of the herein described premises lying within the limits of any road or highway; right of way easement, including the terms and provisions thereof given by James H. Ballard, Sr. and Susan Ballard, husband and wife, to Pacific Power & Light Company, a corporation, dated June 3, 1968, recorded January 21, 1969, in Volume M-69, page 526, Microfilm records of Klamath County, Oregon (affects S½ Lot 2). ALSO, that mortgage in the principal amount of \$14,000.00 in favor of John T. Wachter, dated July 15, 1971, given to secure a note of same date recorded July 16, 1971, in Volume M-71, page 7446, Mortgage records of Klamath County, Oregon.

Together with the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining. To have and to hold the same with the appurtenances, unto the said James H. Ballard, Sr. and Susan A. Ballard, husband and wife,

their heirs and assigns forever.

THIS CONVEYANCE is intended as a Mortgage to secure the payment of the sum of Seven Thousand and no/100-----Dollars (\$7,000.00) in accordance with the terms of a certain promissory note, of which the following is a substantial copy:

\$7,000.00 Klamath Falls, Oregon, September, 1973
I (or if more than one maker) we, jointly and severally, promise to pay to the order of James H. Ballard, Sr. and Susan A. Ballard, husband and wife, at First Federal Savings and Loan Assn. Seven Thousand and no/100-----DOLLARS, with interest thereon at the rate of 5 per cent. per annum from September, 1973 until paid, principal and interest payable in quarterly installments of not less than \$225.00 in any one payment; each payment as made shall be applied first to accumulated interest and the balance to principal; the first payment to be made on the 1st day of January, 1974, and a like payment on the 1st day of each month thereafter until the whole balance is paid. When the whole unpaid balance hereof, if any, shall become due and payable; if any of said installments is not so paid, the whole sum of both principal and interest to become immediately due and collectible at the option of the holder of this note. If this note is placed in the hands of an attorney for collection, I/we promise and agree to pay the reasonable attorney's fees and collection costs of the holder hereof, and if suit or action is filed hereon, also promise to pay (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.

Lockett Ballard

The mortgagor warrants that the proceeds of the loan represented by the above described note and this mortgage are:

- (a)* primarily for mortgagor's personal, family, household or agricultural purposes (see Important Notice below),
 (b) ~~for an organization or (even if mortgagor is a natural person) are for business or commercial purposes other than agricultural purposes.~~

Now, if the sum of money due upon said instrument shall be paid according to the agreement therein expressed, this conveyance shall be void; but in case default shall be made in payment of the principal or interest or any part thereof as above provided, then the said James H. Ballard, Sr. and Susan A. Ballard, husband and wife, and their legal representatives, or assigns may foreclose the Mortgage and sell the premises above described with all and every of the appurtenances or any part thereof, in the manner prescribed by law, and out of the money arising from such sale, retain the said principal, interest and attorney's fees as provided in said note, together with the costs and charges of making such sale and the surplus, if there be any, pay over to the said James H. Ballard, Sr. and Susan A. Ballard, husband and wife, their heirs or assigns.

Witness my hand this 18 day of September 19 73
 Lockett Ballard

*IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and if the mortgagee is a creditor, as such word is defined in the Truth-in-Lending Act and Regulation Z, the mortgagee MUST comply with the Act and Regulation by making required disclosures; for this purpose, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Ness Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, use Stevens-Ness Form No. 1306, or equivalent.

MORTGAGE

(FORM No. 7)
 STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

TO

STATE OF OREGON,
 County of Klamath

I certify that the within instrument was received for record on the 18th day of SEPTEMBER, 19 73, at 4:46 o'clock P. M., and recorded in book M 73 on page 12666 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

WM. D. MILNE

COUNTY CLERK Title.

By *Walter D. Hamilton* Deputy.

AFTER RECORDING RETURN TO

Walter D. Hamilton
 244 Main
 17 D.

STATE OF OREGON,

County of Klamath

BE IT REMEMBERED, That on this 18 day of September, 19 73, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Lockett C. Ballard known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

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

Walter D. Hamilton
 Notary Public for Oregon.

My Commission expires July 26, 1975

FEE \$ 4.00



OK 2nd collect

STATE
 County
 before me,
 Jan