

THIS MORTGAGE, Made this 18th day of July, 1973,
by ~~Frederic Schildmeyer and Roberta Schildmeyer~~ Mortgagor,
to ~~Albert W. Schmeck and Vada H. Schmeck~~ Mortgagee.

WITNESSETH, That said mortgagor, in consideration of ..FORTY-SEVEN THOUSAND and ..no/100ths .. Dollars, 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:

real property described on Exhibit "A" attached hereto and by this reference made a part hereof.

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

TO HAVE AND TO HOLD the said premises with the appurtenances unto the said mortgagee, his heirs, executors, administrators and assigns forever.

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

\$47,000.00

Klamath Falls, Oregon January 10 1974

On January 10, 1975 after date, I (or if more than one maker) we jointly and severally promise to pay to the order of Albert W. Schmeck and Vada H. Schmeck, husband and wife, at Klamath Falls, Oregon, ----- FORTY-SEVEN THOUSAND and no/100ths DOLLARS, with interest thereon at the rate of 6% per annum from date until paid; interest to be paid at time of making principal payment and if not so paid, all principal and interest, at the option of the holder of this note, to become immediately due and collectible. ~~Any payment made by me before the time.~~ If this note is placed in the hands of an attorney for collection, I/we promise and agree to pay holder's reasonable attorney's fees and collection costs, even though no suit or action is filed hereon; if a suit or an action is filed, the amount of such reasonable attorney's fees shall be fixed by the court or courts in which the suit or action, including any appeal therein, is tried, heard or decided.

[illegible]

And said mortgagor covenants to and with the mortgagee, his heirs, executors, administrators and assigns, that he is lawfully seized in fee simple of said premises and has a valid, unencumbered title thereto

and will warrant and forever defend the same against all persons; that he will pay said note, principal and interest, according to the terms thereof; that while any part of said note remains unpaid he will pay all taxes, assessments and other charges of every nature which may be levied or assessed against said property, or this mortgage or the note above described, when due and payable and before the same may become delinquent; that he will promptly pay and satisfy any and all liens or encumbrances that are or may become liens on the premises or any part thereof superior to the lien of this mortgage; that he will keep the buildings now on or which hereafter may be erected on the said premises continuously insured against loss or damage by fire and such other hazards as the mortgagee may from time to time require, in an amount not less than the original principal sum of the note or obligation secured by this mortgage, in a company or companies acceptable to the mortgagee, with loss payable first to the mortgagee and then to the mortgagor as their respective interests may appear; all policies of insurance shall be delivered to the mortgagee as soon as insured. Now it the mortgagor shall fail for any reason to procure any such insurance and to deliver said policies to the mortgagee at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the mortgagee may procure the same at mortgagor's expense; that he will keep the buildings and improvements on said premises in good repair and will not commit or suffer any waste of said premises. At the request of the mortgagee, the mortgagor shall join with the mortgagee in executing one or more financing statements pursuant to the Uniform Commercial Code, in form satisfactory to the mortgagee, and will pay for filing the same in the proper public office or offices, as well as the cost of all lien searches made by title officers or searching agencies as may be deemed desirable by the mortgagee.

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, therefore, if said mortgagor shall keep and perform the covenants herein contained and shall pay said note according to its terms, this conveyance shall be void, but otherwise shall remain in full force as a mortgage to secure the performance of all of said covenants and the payment of said note; it being agreed that a failure to perform any covenant herein, or if a proceeding of any kind be taken to foreclose any lien on said premises or any part thereof, the mortgagee shall have the option to declare the whole amount unpaid on said note or on this mortgage at once due and payable, and this mortgage may be foreclosed at any time thereafter. And if the mortgagor shall fail to pay any taxes or charges or any lien, encumbrance or insurance premium as above provided for, the mortgagee may at his option do so, and any payment so made shall be added to and become a part of the debt secured by this mortgage, and shall bear interest at the same rate as said note without waiver, however, of any right arising to the mortgagee for breach of covenant. And this mortgage may be foreclosed for principal, interest and all sums paid by the mortgagee at any time while the mortgagor neglects to repay any sums so paid by the mortgagee. In the event of any suit or action being instituted to foreclose this mortgage, the mortgagor agrees to pay all reasonable costs incurred by the mortgagee for title reports and title search, all statutory costs and disbursements and such further sum as the trial court may adjudge reasonable as plaintiff's attorney's fees in such suit or action, and if an appeal is taken from any judgment or decree entered therein mortgagor further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal, all sums to be secured by the lien of this mortgage and included in the decree of foreclosure.

Each and all of the covenants and agreements herein contained shall apply to and bind the heirs, executors, administrators and assigns of said mortgagor and of said mortgagee respectively.

In case suit or action is commenced to foreclose this mortgage, the Court, may upon motion of the mortgagee, appoint a receiver to collect the rents and profits arising out of said premises during the pendency of such foreclosure, and apply the same, after first deducting all of said receiver's proper charges and expenses, to the payment of the amount due under this mortgage.

In construing this mortgage, it is understood that the mortgagor or mortgagee may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

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

*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.

Robert H. Schildmeyer
Frederic Schildmeyer

MORTGAGE

(FORM No. 105A)

FRED SCHILDMAYER and

ROBERTA SCHILDMAYER

TO

ALBERT W. SCHECK and

VADA H. SCHECK

STATE OF OREGON,

County of _____ ss.

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book _____ on page _____ or as filing fee number _____
 Record of Mortgages of said County.
 Witness my hand and seal of County affixed.

Title _____

By _____

Deputy _____

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

RETURN TO:

FIRST NATIONAL BANK OF OREGON
 KLAMATH FALLS BRANCH
 P. O. BOX 608
 KLAMATH FALLS, OREGON 97601

STATE OF OREGON,

County of _____ Klamath _____ ss.

BE IT REMEMBERED, That on this _____ day of _____, 1974, before me, the undersigned, a notary public in and for said county and state, personally appeared the within named _____ and wife _____
 Frederick Schildmeyer and Roberta Schildmeyer, husband and wife

known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that they 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.

Notary Public for Oregon

My Commission expires _____, 1974

and provisions thereof, contained in deed executed by William G. Hagelstein and Hazel Hagelstein, husband and wife, to the State of Oregon, by and through its State Highway Commission, dated March 20, 1948, recorded May 14, 1948, Deed Vol. 220, page 395, records of Klamath County, Oregon. Copy attached.

11. Terms and provisions contained in deed executed by William G. Hagelstein and Hazel Hagelstein, husband and wife, to State of Oregon, by and through its State Highway Commission, dated March 21, 1950, recorded March 28, 1950, Deed Vol. 237, page 565, records of Klamath County, Oregon. Copy attached.

12. An easement created by instrument, including the terms and provisions thereof, dated July 31, 1950, recorded August 9, 1950, Deed Vol. 241, page 148, in favor of Wm. G. Hagelstein and Hazel Hagelstein for right of way over Lot 5, SW 1/4 of NW 1/4 of Sec. 6 and Lot 6, NW 1/4 of SW 1/4 of Sec. 6 Twp. 37 S., R. 9 E.W.M. Copy attached.

13. Limited access in deed to State of Oregon, by and through its State Highway Commission recorded November 20, 1951, Deed Book 257, page 405, records of Klamath County, Oregon, which provides that no right or easement or right of access to, from or across the State Highway other than expressly therein provided for shall attach to the abutting property. Copy attached.

14. Agreement, including the terms and provisions thereof, recorded December 13, 1961, Vol. 334, page 329, records of Klamath County, Oregon, from William G. Hagelstein and Hazel Hagelstein to Klamath County, Oregon, for the purpose of a park. Copy attached.

15. Lease, including the terms and provisions thereof, between Central Pacific Railway Company, lessor, and Southern Pacific Company, lessee, dated April 19, 1950, recorded June 23, 1953, Deed Vol. 261, page 421, records of Klamath County, Oregon. Copy attached.

16. Lease, including the terms and provisions thereof, between Central Pacific Railway Company, lessor, and Southern Pacific Company, lessee, dated April 19, 1950, recorded August 4, 1950, Deed Vol. 241, page 72, records of Klamath County, Oregon. Copy attached.

17. Easement and right of way, including the terms and provisions thereof, given by Scott Warren et ux., to The California Oregon Power Company dated February 16, 1951, recorded February 23, 1951, Deed Vol. 245, page 395, records of Klamath County, Oregon. Copy attached.

18. Financing Statement given by Albert W. Schmeck and Vada H. Schmeck, husband and wife, Debtors, to Klamath Production Credit Association, Secured Party, filed December 15, 1971, Doc. #59427, records of Klamath County, Oregon. Covers crops and fixtures on property described herein.

19. No liability is assumed if a financing statement is filed in the office of the County Clerk covering growing crops wherein the land is described other than by metes and bounds, the rectangular survey system or by recorded lot and block.

20. Mortgage, including the terms and provisions thereof, given by Albert W. Schmeck and Vada H. Schmeck, husband and wife, to The Federal Land Bank of

Spokane, a corporation, dated September 7, 1972, recorded September 18, 1972, Vol. M72, page 10499, Microfilm Records of Klamath County, Oregon, to secure the payment of \$160,000.00.

DESCRIPTION OF PROPERTY

The following described real property situate in Klamath County, Oregon:

Government Lots 5, 6, and 7; the SE 1/4 SW 1/4 and that portion of the NE 1/4 SW 1/4 lying West of the State Highway, all in Section 6; Lots 1, 2 and 3 and the E 1/2 NW 1/4 and the NE 1/4 SW 1/4 of Section 7; all in Township 37 South, Range 9 East of the Willamette Meridian.

Lot 1 Section 1 and Lots 1, 2, and 3 of Section 12 all in Township 37 South, Range 8 East of the Willamette Meridian.

Beginning at a point on the North right of way boundary of the Dalles-California Highway, now a County road known as Algoma Road, which point is North 56°50' East 460 feet from the iron pin which is 1328 feet North of the Southwest corner of Section 18 Township 37 South, Range 9 E.W.M. From said point of beginning run North 10°25' West 82 feet; thence North 56°50' East 378 feet; thence South 10°25' East 82 feet to North boundary of Dalles-California Highway also known as Algoma Road; thence South 56°50' West along said North boundary to the point of beginning, being a portion of the NW 1/4 of SW 1/4 of Section 18.

ALSO, and undivided 1/4 interest in that portion of the NE 1/4 SW 1/4 of Section 6 Township 37 S.R. 9 E.W.M., lying Northeasterly of the State Highway.

5. The assessment roll and the tax roll disclose that the within described premises situated in Township 37 S.R. 8 were specially assessed as farm use. If the land becomes disqualified for the special assessment under the statute an additional tax may be levied for the last five or lesser number of years in which the land was subject to the special land use assessment.
NOTE: Upon sale or transfer of said land the new owner must make application for the special assessment within 60 days of said sale or transfer.

6. Rights of the Federal Government, the State of Oregon, and the general public in any portion of the property described herein lying below the high water line of Klamath Lake.

7. Rights of the public in and to any portion of said premises lying within the limits of roads or highways.

8. Agreement, including the terms and provisions thereof, between John Hagelstein and Wm. G. Hagelstein, et al., and The California Oregon Power Company, a California corporation, recorded in Book 91, page 75, Deed Records of Klamath County, Oregon. Copy attached.

9. Agreement, including the terms and provisions thereof, between John Hagelstein et al., and The California Oregon Power Company, dated February 24, 1930, recorded March 15, 1930, Deed Vol. 91, page 78, records of Klamath County, Oregon, pertaining to control of water of Upper Klamath Lake and damages which may arise therefrom. Copy attached.

10. Restrictions and limitation and grant of easement, including the terms

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of First National Bank of Oregon

this 14th day of Jan. A.D., 1974 at 10:20 o'clock A.M., and duly recorded in
Vol. M74 of Mortgages on Page 419

Fee \$8.00

WM. D. MILNE, County Clerk
By *Hazel Dregille* Deputy