

SECOND MORTGAGE 28-6670

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3
4 THIS SECOND MORTGAGE, made this 9th day of
5 April, 1974, between PAUL J. WILLARD and MARY LOU
6 WILLARD, husband and wife, hereinafter called the MORTGAGOR,
7 to STANLEY M. PETERSEN and NAOMI JANET PETERSEN, husband and
8 wife, hereinafter called the MORTGAGEE:

W I T N E S S E T H

9 That MORTGAGOR, in consideration of THIRTY FOUR
10 THOUSAND FIVE HUNDRED DOLLARS (\$34,500.00), paid to them by
11 MORTGAGEE, hereby grants, bargains, sells and conveys to
12 MORTGAGEE, their heirs, executors, administrators and assigns,
13 that certain real property situated in the County of Klamath,
14 State of Oregon, bounded and described as follows:

15 In Township 38 South, Range 11 1/2 East of
16 the Willamette Meridian, Klamath County,
17 Oregon.

18 Section 15: All
19 Section 22: The N 1/2 N 1/2, and the N 1/2
20 SE 1/4 NE 1/4.

21 Subject to:

- 22 1. Regulations, including levies, assessments,
23 water and irrigation rights and easements for
24 ditches and canals, of Horsefly Irrigation
25 District (Affects portion of E 1/2 of Section 15);
26 2. Rights of the public in and to any portion
of said premises lying within the limits of roads
and highways;
3. An easement created by instrument, including
the terms and provisions thereof, dated April 12,
1960, and disclosed by instrument recorded November
21, 1960, in Book 325 at page 414, Deed Records,
in favor of Pac. Gas Trans. Co., for right-of-way
pipelines.

SECOND MORTGAGE

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1 TOGETHER with all and singular the tenements,
2 hereditaments and appurtenances thereunto belonging or ap-
3 pertaining, and which may hereafter thereto belong or appertain,
4 and the rents, issues and the profits therefrom, and any
5 and all fixtures on the premises at the time of the execution
6 of this Mortgage or any time during the term of this Mortgage.

7 TO HAVE AND TO HOLD the premises with the appur-
8 tenances to MORTGAGEE, their heirs, executors, administrators
9 and assigns forever.

10 This Mortgage is intended to secure the payment
11 of a Promissory Note, a copy of which is attached hereto,
12 marked Exhibit "A," and by this reference incorporated herein.

13 And MORTGAGOR covenants to and with MORTGAGEE,
14 their heirs, executors and administrators and assigns, that
15 they are lawfully seized in fee simple of the premises and
16 have a valid unencumbered title, except as hereinafter stated,
17 and will warrant and forever defend the same against all
18 persons; that they will pay the note, principal and interest
19 according to the terms thereof; that while any of the Note
20 remains unpaid, they will pay all taxes, assessments and
21 other charges of every kind and nature that may be levied
22 or assessed against the property, or this Mortgage, or the
23 Note above described, when due and payable and before the
24 same may become delinquent; that they will promptly pay and
25 satisfy all liens and encumbrances that are or may become

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4477

1 liens on the premises or any part thereof superior to the
2 lien of this Mortgage; that they will keep the buildings now
3 on or which hereafter may be erected on the premises con-
4 tinuously insured against loss or damage by fire and such other
5 hazards as MORTGAGEE may from time to time require, in an
6 amount not less than the original principal sum of the Note
7 or obligation secured by this Mortgage, in a company or
8 companies acceptable to the MORTGAGEE, with loss payable
9 first to MORTGAGEE and then to MORTGAGOR as their respective
10 interests may appear; copies of all policies of insurance
11 shall be delivered to MORTGAGEE as soon as insured.

12 NOW, if MORTGAGOR shall fail for any reason to pro-
13 cure any insurance and to deliver the copies of the said
14 policies to MORTGAGEE, prior to the expiration of any policy
15 of insurance, now or hereafter placed on the buildings,
16 MORTGAGEE may procure the same at MORTGAGOR'S expense.

17 NOW, therefore, if MORTGAGOR keeps and performs
18 the covenants herein contained and pays the Note according to
19 its terms, this conveyance shall be void; otherwise, it shall
20 remain in full force as a Mortgage to secure the performance
21 of all of the covenants and the payment of the Note; if
22 MORTGAGOR fails to perform any covenant herein, or if a
23 proceeding of any kind is taken to foreclose any lien on the
24 premises or any part thereof, MORTGAGEE shall have the option
25 to declare the whole amount unpaid on the Note or on this

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26 SECOND MORTGAGE
Page 3

4478

1 Mortgage at once due and payable, and this Mortgage may
 2 be foreclosed at any time thereafter. If MORTGAGOR fails
 3 to pay any taxes or charges or any lien, encumbrance or in-
 4 surance premium as above provided for, MORTGAGEE may at
 5 their option do so, and any payment so made shall be added to
 6 and become a part of the debt secured by this Mortgage and
 7 shall bear interest at the same rate as the Note without
 8 waiver, however, of any right arising to MORTGAGEE for breach
 9 of covenant, and this Mortgage may be foreclosed for principal,
 10 interest and all sums paid by MORTGAGEE at any time while
 11 MORTGAGOR neglects to repay any sums so paid by MORTGAGEE.
 12 In the event of any suit or action being instituted to fore-
 13 close this Mortgage, MORTGAGOR agrees to pay all reasonable
 14 costs incurred by MORTGAGEE for title reports and title
 15 search, all statutory costs and disbursements and such further
 16 sum as the trial court may adjudge reasonable as the prevailing
 17 party's attorney fees in such suit or action, and if an
 18 appeal is taken from any judgment or decree entered therein,
 19 MORTGAGOR further promises to pay such sum as the appellate
 20 Court shall adjudge reasonable as the prevailing party's at-
 21 torney fees, on such appeal, all sums to be secured by the
 22 lien of this Mortgage and included in the decree of foreclosure.
 23 All of the covenants, and agreements herein con-
 24 tained shall apply to and bind the heirs, executors, administra-
 25 tors and assigns of MORTGAGOR and/or MORTGAGEE respectively.

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SECOND MORTGAGE
 Page 4

1 In case suit or action is commenced to foreclose
2 this Mortgage, the Court may on motion of MORTGAGEE, appoint
3 a Receiver to collect the rents and profits arising out of
4 the premises during the pendency of such foreclosure, and
5 apply the same, after first deducting all of the Receiver's
6 proper charges and expenses, to the payment of the amount due
7 under this Mortgage.

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

15 This Mortgage is subject and subordinate to a
16 certain prior Mortgage dated the 28th day of March, 1974,
17 executed by PAUL J. WILLARD and MARY LOU WILLARD,
18 as MORTGAGOR, to FEDERAL LAND BANK
19 as MORTGAGEE, and recorded in the office of the County Clerk
20 of Klamath County, Oregon, in Book 11-74 of Mortgages, Page 4472
21 on the 11th day of April, 1974, MORTGAGOR herein ex-
22 pressly covenants and agrees to pay or see to the payment of
23 such prior mortgage and to prevent any default thereunder, and
24 further agrees that should any default be made in the payment
25 of any installment of principal and any interest on the prior
26 SECOND MORTGAGE

4480

1 mortgage, and should such installment of principal or
2 interest remain unpaid and in arrears for a period of 30
3 days, or should any suit be commenced or other action taken
4 to foreclose the prior Mortgage, then the amount secured by
5 this Mortgage shall become and be due and payable in full
6 at any time thereafter, at the option of the holder of this
7 Mortgage and the Note secured hereby.

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

10 Paul J. Willard
11 Mary Lou Willard
12
13

14 STATE OF OREGON)
15 County of Klamath) ss.

16 BE IT REMEMBERED, That on this 10 day of April, 1974,
17 before me, the undersigned, a Notary Public in and for said
18 County and State, personally appeared the within-named PAUL J.
19 WILLARD and MARY LOU WILLARD, husband and wife, known to me
20 to be the identical individuals described in and who executed
21 the within instrument and acknowledged to me that they executed
22 the same freely and voluntarily.

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

26 Henry J. Holman
NOTARY PUBLIC FOR OREGON
My Commission expires: 11/21/75

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25 SECOND MORTGAGE
26 Page 6

4481

April 9 1974

Klamath Falls, Or.

\$ 34,500.00

Each of the undersigned promises to pay to the order of STANLEY M. PETERSEN and NAOMI JANET PETERSEN, husband and wife-

at

THIRTY FOUR THOUSAND FIVE HUNDRED (\$34,500.00) DOLLARS.

with interest thereon at the rate of 7 percent per annum from April 15, 1974 until paid, payable in ten equal installments of not less than \$ 3,450.00 in any one payment; interest shall be paid annually and in addition to the minimum payments above required, the first payment to be made on the 15th day of April 1975, and a like payment on the 15th day of April of each year thereafter, until the whole sum, principal and interest has been paid; if any of said installments is not 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, each of the undersigned promises and agrees to pay holder's reasonable collection costs, including reasonable attorney's fees, even though no suit or action is filed hereon; however, if such suit or 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 thereon, is tried, heard or decided.

Due April 15, 1985.

At No.

* Strike words not applicable.

FORM No. 217—INSTALLMENT NOTE (Oregon UCC)

STATE OF OREGON, }
County of Klamath } ss.

Filed for record at request of:
TRANSAMERICA TITLE INS. CO.
on this 11th day of APRIL A. D. 1974
at 4:04 o'clock P. M. and duly
recorded in Vol. M 74 of MORTGAGES
Page 4475

WM. D. MILNE, County Clerk
By *[Signature]* Deputy.
Fee \$ 11.00

Return: Transamerica
attn: Maclene
EXHIBIT "A"

PROMISSORY NOTE