

SN 28-7093
SECOND MORTGAGE, Made this 26th day of June, 19 74,
by Ted J. Sandberg and Dorothy M. Sandberg, husband and
wife Mortgagee,
to Lee M. Cantwell and Gloria L. Cantwell, husband and wife Mortgages,

WITNESSETH, That said mortgagor, in consideration of Thirty-three Thousand Six Hundred Thirtytwo and 79/100ths-----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:

All that portion of N 1/2 of N 1/2 of SE 1/4 of Section 10, Township 40 South, Range 9 East of the Willamette Meridian, lying Westerly of Spring Lake Road, Klamath County, Oregon.

This is a Second Mortgage and is subject to a First Mortgage given by Lee M. Cantwell and Gloria L. Cantwell, husband and wife, to State of Oregon, represented and acting by the Director of Veteran's Affairs, dated August 28, 1970, recorded September 16, 1970 in M-70 at page 8159 and Mortgage dated February 12, 1974, recorded February 12, 1974 in Book M-74 at page 2334, the present balance of said mortgages is the sum of \$42,867.21.

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:

(See attached Exhibit "A" and by this reference incorporated herein as if fully set forth.)

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 except for the First Mortgage of Department of Veteran's Affairs-State of Oregon, 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 if 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 filing officers or searching agencies as may be deemed desirable by the mortgagee.

STATE OF OREGON,

County of Klamath } ss.

BE IT REMEMBERED, That on this 26th day of June, 19 74, before me, the undersigned, a notary public in and for said county and state, personally appeared the within named Ted J. Sandberg and Dorothy M. Sandberg, husband and wife

known to me to be the identical individual(s) described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

Marlene T. Addington
Notary Public for Oregon
My commission expires

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

Marlene T. Addington
Notary Public for Oregon
My Commission expires 3-27-77

7921

NOTE

Klamath Falls, Oregon, June 25, 1974

\$33,632.79

We, jointly and severally, promise to pay to the order of Lee M. Cantwell and Gloria L. Cantwell, husband and wife, at Klamath Falls, Oregon, Thirty-Three Thousand Six Hundred Thirty-Two and 79/100ths (\$33,632.79) Dollars with interest thereon at the rate of 9% until paid, payable in monthly installments of not less than \$200.00 in any one payment; interest shall be paid monthly and is included in the minimum payments above required; the first payment to be made on the 28th day of July, 1974, and a like payment on the 28th day of each month thereafter; and, in addition to said payment the undersigned promises to pay the sum of \$1,000.00 or 60% of the income from the crop raised on said property, less the payment made to the State of Oregon, represented and acting by the Director of Veteran's Affairs, whichever is greater, on or before December 31, 1974, and on or before the 31st day of December of each year thereafter; all of which said payments shall be made until the whole sum, principal and interest has been paid; if any of said installments is not paid and remains in default for more than thirty (30) days after said payment is due and payable, the whole sum of both principal and interest to become immediately due and collectible at the option of the holder and, in addition to, but not in lieu of said principal and interest, promisor agrees to pay liquidated damages in the sum of \$100.00. If this note is placed in the hands of an attorney for collection, the undersigned promises and agrees to pay the reasonable collection costs of the holder hereof; and if suit or action is filed hereon, also promises 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.

(Signed) Ted J. Sandberg
Ted J. Sandberg

(Signed) Dorothy M. Sandberg
Dorothy M. Sandberg

STATE OF OREGON,
County of Klamath

Filed for record at request of

TRANSMITTAL FILE NO.

on this 27th day of June, A.D. 19 74
at 10:25 o'clock A.M. and duly

recorded in Vol. 11-74 of MORTGAGES

Page 7919

Wm D. MILNE, County Clerk

By *[Signature]* Deputy

Fee \$ 6.00

VA Form 28-4388
Apr. 1974, Use Of
1516, Title 38, U.S.C.
to Federal National
Association.

SPECIAL P