

THIS INDENTURE, Made this 15th day of May, 1975
between Timothy A. Bailey and Kristine L. Bailey, husband and wife,

as mortgagor^s, and Albert W. Schmeck and Vada H. Schmeck, husband and
wife

as mortgagee^s,

WITNESSETH, That the said mortgagor^s for and in consideration of the sum of One
Thousand Five Hundred and No/100 Dollars (\$1,500.00) to them

paid by the said mortgagee^s, do hereby grant, bargain, sell and convey unto the said mortgagee^s and
assigns those certain premises situated in the County of Klamath, and State of

Oregon, and described as follows:

Lot 4 in Block 38 of Hot Springs Addition to the City of
Klamath Falls, Oregon, excluding the Southeasterly 68 feet
of Lot 4 and the Northwesterly 10 feet of the vacated alley
adjacent thereto, according to the official plat thereof
on file in the records of Klamath County, Oregon

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^s and
assigns forever.

THIS CONVEYANCE is intended as a Mortgage to secure the payment of the sum of

One Thousand Five Hundred and No/100 Dollars

(\$1,500.00) in accordance with the terms of that certain promissory note of which the

following is a substantially copy, to-wit:

\$1,500.00 Klamath Falls, Oregon May 15 1975

(or if more than one maker) we, jointly and severally, promise to pay to the order of Albert W. Schmeck and Vada H. Schmeck

One Thousand Five Hundred and No/100 at Klamath Falls, Oregon DOLLARS, with interest thereon at the rate of 10% percent per annum from May 15, 1975 until paid, payable in equal installments of not less than \$ 50.00 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 15th day of June 1975, and a like payment on the 15th day of each month thereafter, until the whole sum, principal and interest has been paid; if any of said installments is not so paid, all 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 holder's reasonable attorney's fees and collection costs, even though no suit or action is filed hereon; however, 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.

* Strike words not applicable.

Timothy A. Bailey

Kristine L. Bailey

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.

This indenture is further conditioned upon the faithful observance by the mortgagor S of the following covenants hereby expressly entered into by the mortgagor S, to-wit:

That they are lawfully seized of said premises, and now have a valid and unincumbered fee simple title thereto,

and that they will forever warrant and defend the same against the claims and demands of all persons whomsoever;

That they will pay the said promissory note and all installments of interest thereon promptly as the same become due, according to the tenor of said note;

That so long as this mortgage shall remain in force they will pay all taxes, assessments, and other charges of every nature which may be levied or assessed upon or against the said premises when due and payable, according to law, and before the same become delinquent, and will also pay all taxes which may be levied or assessed on this mortgage or the debt thereby secured, and will promptly pay and satisfy any mechanics' liens or other incumbrances that might by operation of law or otherwise become a lien upon the mortgaged premises superior to the lien of this mortgage;

That will keep all the improvements erected on said premises in good order and repair and will not commit or suffer any waste of the premises hereby mortgaged. 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.

That so long as this mortgage shall remain in force will keep the buildings now erected,

[illegible]

(continued from page 6)

INTERPRETING FEDERAL INCOME TAX, by having set without controversy (a) if it is not applicable, if generally it is applicable and if the instrument is a gift, is reduced or is defined in the Form (including \bar{L} and \bar{L}_1), the instrument is NOT empty with the Act and Regulations by making required disclosures, for this purpose, if this instrument is to be a 1942 then to finance the purchase of a dwelling, see Stewart-Hess Form No. 1322 or equivalent, if this instrument is NOT to be a flat fee, see Stewart-Hess

STATE OF OREGON,

County of Klamath

ss.

BE IT REMEMBERED, That on this 15 day of May, 1975,
before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within
named Timothy A. Bailey and Kristine L. Bailey

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.

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

Mary Ann Leonard
Notary Public for Oregon.

My Commission expires 11.30.77

MORTGAGE

(FORM No. 8)

TO

STATE OF OREGON,

County of Klamath

ss.

I certify that the within instru-
ment was received for record on the
19th day of MAY,
1975, at 4:15 o'clock P.M.,
and recorded in book on
page 5422, Record of Mortgages
of said County or as filing fee number
856

Witness my hand and seal of
County affixed.

M. D. MILNE

COUNTY CLERK

Title

By *Elizabeth Dwyer* Deputy.

725 STEVENS-BESS LAW PUB. CO., PORTLAND, ORE.

FEE \$ 8.00

Return to
Al Schmeck
417 Main St.
Klamath Falls, Ore
97601