

~~75 OCT 7 PM 4 03~~

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

a substantial copy of which is attached hereto marked Exhibit "B" and by this reference made a part hereof.

This mortgage is inferior, secondary and made subject to a prior mortgage on the above described real estate made by Ymond L. Kercher and Delores F. Kercher, husband and wife,

to Eston E. Balsiger and Billie L. Balsiger, husband & wife dated January  
1974 and recorded in the mortgage records of the above named county in book M74, at page 848 thereof, or as  
file number XXXXXX year number XXXXXX, reference to said mortgage records  
hereby being made; the said first mortgage was given to secure a note for the principal sum of \$19,000.00; the unpaid  
principal balance thereof on the date of the execution of this instrument is \$ 16,000.00 and no more; ~~interest thereon is paid~~  
~~to~~ 19 : said prior mortgage and the obligations secured thereby hereinafter, for brevity, are called  
simply "first mortgage".

The mortgagor covenants to and with the mortgagee, his heirs, executors, administrators, assigns and assigns, that he will do and perform all things required of him in fee simple of said premises; that the same are free from all encumbrances except said first mortgage and further except... subject to reservations, restrictions, easements and rights-of-way of record and those apparent on the land

and that he will warrant and forever defend the same against all persons; further, that he will do and cause to be done all and singular the premises hereinbefore expressed to be done by him, his heirs and assigns, and that he will pay all obligations due or to become due under the terms of said first mortgage as well as the note secured hereby, principal and interest, according to the terms thereof; that while any part of the note secured hereby 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 secured hereby, when due and payable and before the same 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 \$ \_\_\_\_\_ in a company or companies acceptable to the mortgagee herein, with less payable, first to the holder of the said first mortgage, second, to the mortgagee named herein and then to the mortgagee as their respective interests may appear; all policies of insurance shall be delivered to the holder of the said first mortgage as soon as insured and a certificate of insurance executed by the company in which said insurance is written, showing the amount of said coverage, shall be delivered to the mortgagee named in this instrument. Now if the mortgagee shall fail for any reason to procure any such insurance and to deliver said policies as aforesaid 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 mortgagee's expense, that the mortgagee will keep the buildings and improvements on said premises in good repair and will not commit or suffer any waste of said premises. In the event any personal property is part of the security for this mortgage, then at the request of the mortgagee, the mortgagee 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.

Now, therefore, if said mortgagee shall keep and perform the covenants herein contained and shall pay all obligations secured by said first mortgage as well as the note secured hereby 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 payments of the note secured hereby; 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 mortgagee shall fail to pay any taxes or charges or any lien, encumbrance or insurance premium as above provided for, or fail to do or perform anything required of him by said first mortgage, the mortgagee herein, at his option, shall have the right to make such payments and to do and perform the acts required of the mortgagee under said first mortgage; and any payment so made, together with the cost of such performance shall be added to and become a part of the debt secured by this mortgage, and shall bear interest at the same rate as the note secured hereby 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 mortgagee 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 mortgagee 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, mortgagee further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal, all such 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 mortgagee 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 mortgagee 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 mortgagee has hereunto set his hand the day and year first above written.

*James H. Jackson*  
*Christiane B. Jackson*

\*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, use Stevens-Ness Form No. 1306 or similar.

## SECOND MORTGAGE

(FORM No. 925)

TO

STATE OF OREGON.

County of

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 file/reel number \_\_\_\_\_ of said County. Witness my hand and seal of County affixed.

Title.

Deputy

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

*Return to*  
*Clare & Bailey*  
*225 Main*  
*Klamath Falls, Ore.*

STATE OF OREGON.

County of Klamath

ss.

BE IT REMEMBERED, That on this \_\_\_\_\_ day of August, 1975, before me, the undersigned, a notary public in and for said county and state, personally appeared the within named James H. Jackson and Christiane B. Jackson, 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 1-24-77

12412

A tract of land situated in the SW 1/4 of Section 23, Township 33 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8 inch iron pin marking the center one-fourth corner of said Section 23 as set by record of Survey No. 1571, as recorded in the Klamath County Surveyor's Office; thence South 1129.12 feet; thence East 253.52 feet to a 1/2 inch iron pin on the Northeastly right of way line of Lakeshore Drive (Highway No. 421); thence North 30°12'56" West 35.33 feet to a 5/8 inch iron pin on the said northeastly right of way line, said point being the True Point of Beginning of this description; thence leaving said right of way line North 61°15'46" East 21.07 feet; thence Southeastly along the arc of a curve to the right (central angle=53°49'08", radius=100.00 feet) 93.93 feet; thence South East 109.69 feet; thence Southeastly along the arc of a curve to the left (central angle=19°52'30", radius=400.00 feet) 132.75 feet; thence South 84°47'36" East 75.60 feet to the Southwestly line of deed recorded in Volume M69 page 4801; thence South 11°43'00" East 122.71 feet to the Southwestly corner of deed recorded in Volume M69 page 4801; thence North 78°17'00" East 463.0 feet, more or less, to a point on the westerly shore line of Upper Klamath Lake; thence southwestly along said shore line to a point that bears South 31°30'46" West a distance of 156.44 feet from the last described point and being the Southwestly corner of Deed Volume 316 pge 204; thence leaving said shore line South 78°17'00" West 603.0 feet, more or less, to a point on the northwesterly right of way line of said Lakeshore Drive; thence northwesterly along the said right of way line following the arc of a curve to the left (central angle=14°12'46", radius=439.26 feet) 108.96 feet; thence continuing along said right of way line North 34°07'00" West 249.50 feet; thence continuing along said right of way line following the arc of a curve to the right (central angle=05°22'46", radius=686.30 feet) 64.44 feet to the True Point of Beginning.

Exhibit "A"



\$7,500.00

OCTOBER  
August

1977, Klamath Falls, Oregon 97603

We jointly and severally, promise to pay to the order of RAYMOND L. KERCHER and DELORES W. KERCHER, his wife and or the survivor of them, at Klamath Falls, Oregon, Seven Thousand Five Hundred Dollars (\$7,500.00) in interest and principal at the rate of eight and one-fourth per cent per annum from ~~OCTOBER~~ August 1<sup>st</sup>, 1975 until paid, as follows: Monthly installments shall be paid commencing ~~NOVEMBER~~ August 1<sup>st</sup>, 1975 and payable on or before the 1<sup>st</sup> day of each month thereafter. said payments to consist of not less than the interest which has accumulated on the principal balance then existing; effective ~~OCTOBER~~ August 1, 1977 the principal balance remaining shall be amortized over a period of eight (8) years from ~~August~~ ~~August~~ 1, 1977 in equal monthly payments equivalent to 196th of said amortized balance and shall be paid each month upon the dates hereinbefore provided. If any of said installments are 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, 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 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.

*James H. Decker*  
*Christine B. Jackson*

Exhibit "B"

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of CRANE &amp; BAILEY ATT'YS

this 7th day of OCTOBER A. D., 1975 at 4:03 o'clock P.M., and duly recorded in

Vol. M 75 of MORTGAGES on Page 12410

FEE \$ 12.00

WM. D. MILNE, County Clerk

By *Hazel Hazle* Deputy