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V-75 15773

THIS MORTGAGE, Made this 10th day of December, 1975, between PELICAN MANAGEMENT CORPORATION, a Corporation, duly organized and existing under the laws of the State of Oregon, tenants hereinafter called the Mortgagor, and MYRON E. SHANNON and ELIZABETH A. SHANNON, as hereinafter called the Mortgagee, WITNESSETH, That said mortgagor, in consideration of FIFTEEN THOUSAND and NO/100----- Dollars, to it paid by said mortgagee, does hereby grant, bargain, sell and convey unto said mortgagee, his heirs, executors, administrators, successors and/or assigns, that certain real property situated in Klamath County, State of Oregon, bounded and described as follows:

All of the Easterly 15 feet of Lot 9 and the Westerly 45 feet of Lot 10, all in Block 49 of NICHOLS ADDITION to the City of Klamath Falls, Oregon, according to the official plat thereof.

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, successors and/or assigns forever.

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

\$15,000.00 Klamath Falls, Oregon, December 10, 1975  
For Value Received PELICAN MANAGEMENT CORPORATION, a Corporation, promises to pay MYRON E. SHANNON and ELIZABETH A. SHANNON or order at MAIN STREET, KLAMATH FALLS BRANCH OF FIRST NATIONAL BANK OF OREGON, FIFTEEN THOUSAND and NO/100 DOLLARS in lawful money of the United States of America, with interest thereon, in like lawful money, at the rate of 8½% per annum from December 10, 1975, until paid, payable in monthly installments of \$150.00 including the full amount of interest due on this note at the time of payment of each installment, the first payment to be made on the 10th day of January, 1976, and a like payment on the 10th day of each month thereafter until December 10, 1985, at which time the remaining principal balance and accrued interest shall be paid in full. If any of said installments are not so paid, the whole sum of both principal and interest shall become immediately due and payable at the option of the Holder of this Note. In case suit or action is instituted to collect this note or any portion thereof, said Corporation promises to pay such additional sums as the Courts, including Appellate Courts in the event of an appeal or other proceeding, then may adjudge reasonable as Attorneys' fees in such suit or action.

IN WITNESS WHEREOF, PELICAN MANAGEMENT CORPORATION pursuant to a Resolution of its Directors has caused this Note to be executed by its President and Secretary this 10th day of December, 1975.

PELICAN MANAGEMENT CORPORATION

By /s/ Richard C. Beesley and By /s/ Gary A. Knutson  
Its President Its Secretary

And said mortgagor covenants to and with the mortgagee, his heirs, executors, administrators, successors and/or assigns, that it 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 it will pay said note, principal and interest, according to the terms thereof; that while any part of said note remains unpaid it 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 it 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 it 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 it 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.

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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 upon a failure to perform any covenant herein, or if 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 claim 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 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, successors and/or 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 to the payment of the amount due under this mortgage, first deducting all proper charges and expenses attending the execution of said trust.

In construing this mortgage, it is understood that the 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.

It is expressly understood and agreed that the Mortgagor may tear down any and/or all buildings upon said premises at any time.

IN WITNESS WHEREOF, PELICAN MANAGEMENT CORPORATION

pursuant to a resolution of its Board of Directors, duly and legally adopted, has caused these presents to be signed by its President and Secretary, and its corporate seal to be hereunto affixed this 10th day of December, 1975.

(SEAL)

PELICAN MANAGEMENT CORPORATION

By *Richard C. Beesley* President

PELICAN MANAGEMENT CORPORATION

By *Gary A. Knutson* Secretary

# MORTGAGE

Corporation  
(FORM No. 75A)

TO

STATE OF OREGON,  
County of Klamath

I certify that the within instrument was received for record on the 15th day of DECEMBER, 1975, at 2:55 o'clock P.M., and recorded in book K 75 on page 15773 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

W. D. MILNE

COUNTY CLERK

Title

Deputy

F.E. \$6.00

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

[ORS 93.490]

STATE OF OREGON, County of Klamath ) ss. December 10th, 1975

Personally appeared RICHARD C. BEESLEY and GARY A. KNUTSON,

who being duly sworn (or affirmed) did say that they are the

President and Secretary, respectively,

(President or other officer or officers)

PELICAN MANAGEMENT CORPORATION

(Name of corporation)

and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and he acknowledged said instrument to be its voluntary act and deed.

(OFFICIAL SEAL)

Before me

*Frank J. Ganong*  
Notary Public for Oregon

My commission expires February 27, 1979

After recording return to: Barnhisel/Ganong 323 Main