

THIS MORTGAGE, Made this 30 day of January, 1976, between MIDWAY MACHINERY & SUPPLY, INC., a Corporation, duly organized and existing under the laws of the State of Oregon, and J.I. CASE CREDIT CORP., a Wisconsin corporation, hereinafter called the Mortgagee, and WITNESSETH, That said mortgagor, in consideration of Thirty-six 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:

Lots 7, 8 and 9, CASITAS, Klamath County, Oregon

SUBJECT TO: Mortgage to Western Bank, Klamath Falls Branch, Klamath Falls, Oregon, on lots 7 and 8, recorded in Volume M72-page 15130 in the amount of \$20,000.00, payable in monthly installments of \$247.91, including interest at the rate of 8 1/2% per annum, the balance of which on September 17, 1974 is \$17,724.57, which said mortgage grantee herein agrees to assume and pay according to the terms thereof.

SUBJECT TO: Mortgage to Charles W. Church and Linda L. Church and R.W. Enderlin in the amount of \$4340.00 on Lot 9.

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:

\$ 36,000.00 January 30, 1976
Six months after date, I (or if more than one maker) we jointly and severally promise to pay to the order of J.I. Case Credit Corp., a Wisconsin corporation at Klamath Falls, Oregon
Thirty-six thousand and no/100 - - - - - DOLLARS,
with interest thereon at the rate of 8 1/2% per annum from date until paid; interest to be paid annually and if not so paid, all principal and interest, at the option of the holder of this note, to become immediately due and collectible. Any part hereof may be paid at any time. 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 herein; 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.

/s/ Charlie Church
MIDWAY MACHINERY & SUPPLY, INC.
By Charlie Church, President

FORM No. 214—PROMISSORY NOTE.

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

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 the 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.

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 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 ever, 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.

Partial payment may be made on the promissory note herein by the mortgagor to the mortgagee by virtue of certain credits for return of parts and paid for machinery and supplies and prior to the payment of said note, mortgagee shall furnish to mortgagor an accounting of all said credits to be applied to the face amount owing on said note.

IN WITNESS WHEREOF, MIDWAY MACHINERY & SUPPLY, INC. 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 30 day of January, 1976,

By Charles W. Church

President

By

Secretary

MORTGAGE

Corporation
(FORM No. 75A)

THIS MORTGAGE WAS MADE BY

TO

THE CHASE CORP.

STATE OF OREGON,

County of

I certify, that the within instrument was received for record on the 30th day of January, 1976, at 1:45 o'clock P.M., and recorded in book 176 on page 155. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Title.

County Clerk

By Hazel W. Wray

Deputy.

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

J. O. Case

Deputy Corp.

1419 Williams St.

Long Beach, Calif.

94577

(ORS 91 490)

STATE OF OREGON, County of Klamath) ss.

Personally appeared Charlie Church and

who, being sworn, each for himself and not one for the other, stated that the former is the president

and that the latter is the of grantor corporation and that the seal affixed hereto is its seal and that this deed was voluntarily signed and sealed in behalf of the corporation by authority of its board of directors.

Before me:

Notary Public for Oregon

My commission expires 10-30-79

(OFFICIAL SEAL)

NOTARY PUBLIC