

THIS MORTGAGE, Made this 15th day of June, 1976, by
 ROGER W. SCHOOLER and CHERYL ANN SCHOOLER, husband and wife,
 Mortgagor,
 to RONALD J. LAYTON and EUNICE C. LAYTON, husband and wife,
 Mortgagees,

WITNESSETH, That said mortgagor, in consideration of the sum of -- Five Thousand,
 Seven Hundred Fifty and 00/100 -- (\$ 5,750.00) Dollars
 to the mortgagor paid by the mortgagees, the said mortgagor does hereby grant, bargain, sell and convey unto
 the said mortgagees as joint tenants with the right of survivorship and not as tenants in common, their assigns
 and the heirs of the survivor of them, those certain premises situate in the County of Klamath
 and State of Oregon, and described as follows, to-wit:

A parcel of land called 2A (see R.O.S. #1010) located in the West 1/2 of the NE 1/4
 of the SW 1/4 of Section 9, Township 39 South, Range 10 East of the Willamette Meri-
 dian, Klamath County, Oregon, more particularly described as thus:

Beginning at a 1/2" iron pin located South 0°21' West (449.17 feet) from the
 center West 1/16 corner of Section 9; thence South 89°20 1/2' East (327.85 feet) more
 or less to the NW corner of that parcel conveyed to Donald Dunn et al, by deed re-
 corded in Volume M75, page 9214, Microfilm Records of Klamath County, Oregon; thence
 South 0°16 1/2' West (447.86 feet) to a point; thence North 89°34' West (328.50 feet)
 to a 1/2" iron pin; thence North 0°21' East (449.17 feet) to the point of beginning;

EXCEPTING THEREFROM the North 224 feet, as measured parallel to the North line thereof
 Together with a non-exclusive easement for ingress, egress and utilities upon, along
 and across the following-described parcel of land situated in Klamath County, Oregon,
 to-wit:

A strip of land 60 feet in width, being 30 feet at right angles from and on either
 side of the following-described centerline: Beginning at the Northwest corner of
 the NE 1/4 SW 1/4, Section 9, Twp. 39 S., R. 10, E.W.M., Klamath County, Oregon; thence
 South 89°07' East 327.2 feet; thence South 0°16' West 1343.58 feet to the South line
 of said NE 1/4 SW 1/4 of said Section 9,

together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any
 wise appertaining; together with the rents, issues and profits therefrom and all fixtures now or hereafter placed
 or installed in or upon said described premises,

TO HAVE AND TO HOLD the same unto the said mortgagees as joint tenants with the right of sur-
 vivorship and not as tenants in common, and to their assigns and the heirs of the survivor forever.

This mortgage is intended to secure the payment of one certain promissory note in words
 and figures substantially as follows:

\$ 5,750.00 Klamath Falls, Oregon June 15, 1976
 On or before Dec. 15, 1976, or whenever the real property securing payment of the note is sold
 after date, I (or if more than one maker) we, jointly and severally, promise to pay to the order of
 RONALD J. LAYTON and EUNICE C. LAYTON, First Federal Savings & Loan Assn., Oregon
 and upon the death of any of them, then to the order of the survivor of them, at 2943 So. 6th St., Klamath Falls, Oregon
 -- Five Thousand, Seven Hundred Fifty and 00/100 -- DOLLARS,
 with interest thereon at the rate of eight percent per annum from June 15, 1976, until paid; interest to be
 paid at maturity and if 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 the reasonable attor-
 ney's fees and collection costs of the holder hereof; and if a suit or an action is filed hereon, I/we also promise to pay (1) the 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.
 It is the intention of the parties hereto that the said payees do not take the title hereto as tenants in common but with the right
 of survivorship, that is: on the death of any of the payees, the right to receive payment of the then unpaid balance of principal and in-
 terest shall vest absolutely in the survivor of them.

s/ Roger W. Schooler

s/ Cheryl Ann Schooler

In construing this mortgage and the said note, the word "survivor" shall include survivors, the term "mortgagor" shall include mortgagors; the
 singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and all grammatical changes shall be made;
 assumed and implied to make the provisions hereof apply equally to corporations and to more than one individual; furthermore, the word "mortgagees"
 shall be construed to mean the mortgagees named above, if all or both of them be living, and if not, then the survivor or survivors of them, because
 it is the intention of the parties hereto that the said note and this mortgage shall be held by the said mortgagees as joint tenants with the right of
 survivorship and not as tenants in common and that on the death of one, the moneys then unpaid on said note as well as all rights and interests herein
 given to the mortgagees shall vest forthwith in the survivor of them.

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 buyer is a natural person) are for business or commercial purposes other than agricultural purposes.

And said mortgagor covenants to and with the mortgagees, and their successors in interest, that he is lawfully seized in fee simple of said
 premises and has a valid, unencumbered title thereto; however, it is understood and agreed that this mort-
 gage is second, junior and subordinate to a mortgage loan to First Federal Savings
 and Loan Association of Klamath Falls, Oregon, dated the 9th day of June, 1976,
 JULY

[illegible][illegible][illegible][illegible][illegible]

In case suit or action is commenced to foreclose this mortgage, the court upon motion of the mortgagee, may 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 and included in the decree of foreclosure.

Each and all of the covenants and agreements herein contained shall apply to, inure to the benefit of and bind the heirs, executors, administrators, successors in interest and assign of said mortgagor and of said mortgagees respectively.

IN WITNESS WHEREOF, said mortgagor has hereunto set his hand the day and year first above written.

Roger W. Shoben

*IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable, the mortgagee MUST comply with the Truth-in-Lending Act and Regulation Z by making required disclosures; for this purpose, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use S-N Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, use S-N Form No. 1306, or equivalent.

MORTGAGE

Survivorship)

MEMO No. 6911

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STATE OF OREGON,

County of Klamath.

I certify that the within instrument was received for record on the 13th day of JULY, 1976, at 2:52 o'clock PM., and recorded in book M.76 on page 10575, Record of Mortgages of said County.

Witness my hand and seal of
County affixed.

MINING

COUNTY CLERK

Deputy.

Deputy: 6 00

Deputy: 6 00

Deputy: 6 00

Deputy: 6 00

STEVENS-NESS EXH POST CON.

...ending return to:

After recording room

Bruce Owens, Realtor

520 Klamath Avenue
Klamath Falls, OR 97603

STATE OF OREGON,

County of.....Klamath

BE IT REMEMBERED, That on this 2 day of June, 1997, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within and signed Roger W. Schooler and Cheryl Ann Schooler, 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 for the purposes therein contained.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed

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.....

My commission expires

(SEAL)