

TC

THIS INDENTURE WITNESSETH: That GORDON R. LILLY, DARY M. JOHNSON and SHIRLEY M. JOHNSON, husband and wife, of the County of Klamath, State of Oregon, for and in consideration of the sum of Twenty Thousand and No/100ths Dollars (\$ 20,000), to them in hand paid, the receipt whereof is hereby acknowledged, have granted, bargained, sold and conveyed, and by these presents do grant bargain, sell and convey unto MELVIN L. STEWART and MACY E. RITCHISON and MARJORIE A. RITCHISON, husband and wife, and NORMAN LUMBER COMPANY, a corporation of the County of Klamath, State of Oregon, the following described premises situated in Klamath County, State of Oregon, to-wit:

All that portion of the E $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Section 33, Township 39 South, Range 9 East of the Willamette Meridian, lying West-erly of the West right of way of Washburn Way, including all of "Tract 1018", a duly recorded subdivision of Klamath County, Oregon. EXCEPTING THEREFROM A Tract of land situated in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 33, Township 39 South, Range 9 East of the Willamette Meridian, more particularly described as follows:

Beginning at a point at the intersection of the Northerly right of way line of Midland Road and the Westerly right of way line of Washburn Way, said point being South 89°57'30" West 320.80 feet and North 00°10'55" West 30.00 feet from the Southeast corner of said Section 33; thence South 89°57'30" West along the Northerly line of said Midland Road 1005.79 feet to the West line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 33; thence North 00°11'02" West along said line 917.50 feet; thence South 82°34'03" East 1134.93 feet to the Westerly right of way line of the said Washburn Way; thence Southwesterly along the said Westerly right of way line, on the arc of a curve to the right (radius point bears South 53°32'55" East a distance of 602.96 feet, central angle is 36°38'00") 385.52 feet and South 00°10'55" East 409.80 feet to the point of beginning.

Together with the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining. To have and to hold the same with the appurtenances, unto the said GORDON R. LILLY, DARY M. JOHNSON and SHIRLEY M. JOHNSON, husband and wife,

their heirs and assigns forever.

THIS CONVEYANCE is intended as a Mortgage to secure the payment of the sum of Twenty Thousand and No/100ths Dollars (\$ 20,000.00) in accordance with the terms of that certain promissory note of which the following is a substantial copy:

\$ 20,000.00 Klamath Falls, Oregon, September 19, 1976
I (or if more than one maker) we, jointly and severally, promise to pay to the order of MELVIN L. STEWART, MACY E. RITCHISON and MARJORIE A. RITCHISON, and NORMAN LUMBER COMPANY, a corporation at Klamath Falls, Oregon
Twenty Thousand and No/100ths (\$20,000.00) DOLLARS,
with interest thereon at the rate of 8 percent per annum from October 1, 1976 until paid, payable in
annum installments of not less than \$4,000.00 in any one payment; interest shall be paid annually and
in addition to the minimum payments above required; the first payment to be made on the 1st day of October
1977 and a like payment on the 1st day of October 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.

/s/ GORDON R. LILLY

/s/ DARY M. JOHNSON

/s/ SHIRLEY M. JOHNSON

19726

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.

Now, if the sum of money due upon said instrument shall be paid according to the agreement therein expressed, this conveyance shall be void; but in case default shall be made in payment of the principal or interest or any part thereof as above provided, then the said MELVIN N. STEWART, MACY E. MARJORIE A. RITCHISON, husband and wife and NORMAN LUMBER COMPANY, a corporation and their legal representatives, or assigns may foreclose the Mortgage and sell the premises above described with all and every of the appurtenances or any part thereof, in the manner prescribed by law, and out of the money arising from such sale, retain the said principal, interest and attorney's fees as provided in said note, together with the costs and charges of making such sale and the surplus, if there be any, pay over to the said GORDON R. LILLY, DARY M. JOHNSON and SHIRLEY M. JOHNSON, Husband and wife, their heirs or assigns.

Witness our hands this 7th day of December 1976

*IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable. If warranty (a) is applicable and if the mortgage 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, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Ness Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, use Stevens-Ness Form No. 1306, or equivalent.

Gordon R. Lilly
Dary M. Johnson
Shirley M. Johnson

MORTGAGE

(FORM No. 7)
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

TO

STATE OF OREGON

County of KLAMATH

I certify that the within instrument was received for record on the

8th day of DECEMBER, 1976

at 11:45 o'clock A.M. and recorded

in book M. 16 on page 19725

or as file number 22660

Record of Mortgages of said County

Witness my hand and seal of

County affixed.

WM. D. MILNE

COUNTY CLERK

Title

By *Harold Chazy* Deputy

After recording return fee \$1.00

Barbara Sue Dean

STATE OF OREGON,

County of Klamath

ss.

BE IT REMEMBERED, That on this 7 day of December, 1976, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named GORDON R. LILLY, DARY M. JOHNSON and SHIRLEY M. JOHNSON, 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.

Susan J. Stoddard
Notary Public for Oregon
My Commission expires 6-13-80