

THIS MORTGAGE, Made this 1ST day of JANUARY, 1977,  
 by MATHIAS PALMEN AND EDITH PALMEN, HIS WIFE, AS JOINT TENANTS,  
 to FRED K. MARTIN, JR., AN UNMARRIED MAN.

Mortgagor,

Mortgagee,

WITNESSETH, That said mortgagor, in consideration of THREE THOUSAND FIVE HUNDRED & NO/100-  
 -----Dollars, to him paid by said mortgagee, does hereby  
 grant, bargain, sell and convey unto said mortgagee, his heirs, executors, administrators and assigns, that cer-  
 tain real property situated in KLAMATH County, State of Oregon, bounded and described as  
 follows, to-wit:

PARCEL 1  
 THAT PORTION OF THE WEST ONE-HALF OF THE NORTHWEST ONE-QUARTER OF THE  
 SOUTHEAST ONE-QUARTER AND THE WEST ONE-HALF OF THE SOUTHWEST ONE-QUARTER  
 OF THE NORTHEAST ONE-QUARTER LYING SOUTH OF THE CENTER LINE OF SNAKE  
 CREEK IN SECTION 25, TOWNSHIP 35 SOUTH, RANGE 12 EAST OF THE WILLAMETTE MERIDIAN.

PARCEL 2  
 THAT PORTION OF THE EAST ONE-HALF OF THE SOUTHEAST ONE-QUARTER OF THE  
 NORTHWEST ONE-QUARTER AND THE EAST ONE-HALF OF THE NORTHEAST ONE-QUARTER  
 OF THE SOUTHWEST ONE-QUARTER OF SECTION 25 TOWNSHIP 35 SOUTH, RANGE 12  
 EAST OF THE WILLAMETTE MERIDIAN KLAMATH COUNTY, OREGON, LYING SOUTH OF  
 THE CENTERLINE OF SNAKE CREEK.

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 and assigns forever.

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

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

XX  
 XX

And said mortgagor covenants to and with the mortgagee, his heirs, executors, administrators and assigns, that he 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 he will pay said note, principal and interest, according to  
 the terms thereof; that while any part of said note 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 above described, when due and pay-  
 able and before the same may 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 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 mort-  
 gagee and then to the mortgagor as their respective interests may appear; all policies of insurance shall be delivered to the mort-  
 gagee 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 he 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 satis-  
 factory 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.

Should  
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 If action  
 This no

When paid, this note,



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, 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 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 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 action 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 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 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, 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 mortgagor 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 mortgagor has hereunto set his hand the day and year first above written.

*Mathias Palmen*  
 MATHIAS PALMEN

\*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, 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.

*Edith Palmen*  
 EDITH PALMEN

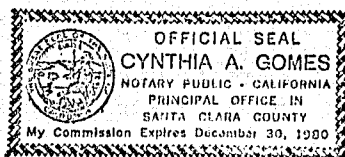
STATE OF ~~OREGON~~, CALIFORNIA

County of SANTA CLARA } ss.

BE IT REMEMBERED, That on this 17th day of MARCH, 1977, before me, the undersigned, a notary public in and for said county and state, personally appeared the within named MATHIAS PALMEN AND EDITH PALMEN

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.



*Cynthia A. Gomes*  
 Notary Public for ~~OREGON~~ CALIFORNIA  
 My Commission expires 12/30/80

## MORTGAGE

(FORM No. 106A)

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

TO

SPACE RESERVED  
 FOR  
 RECORDER'S USE

AFTER RECORDING RETURN TO  
 FRED K. MARTIN JR.  
 1700 CIVIC CENTER DRIVE  
 NO. 111  
 SANTA CLARA, CA 95050

STATE OF OREGON } ss.

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 \_\_\_\_\_, Record of Mortgages of said County. Witness my hand and seal of County affixed.

By \_\_\_\_\_ Title \_\_\_\_\_ Deputy.



EXHIBIT "A"

## STRAIGHT NOTE

4686

DO NOT DESTROY THIS NOTE

Application No.

SAN JOSE  
 \$3,500.00 Three Thousand Five Hundred, California, 1 JAN 1927  
 M. & H. MATT PALMER after date, for value received,  
 FRED K. PALMER, JR. promise to pay to  
 or order, at 1.700.00 One Thousand Seven Hundred, SANTA CRUZ, CALIF. the sum of  
 Three Thousand Five Hundred DOLLARS,  
 with interest from 1 FEB 1927 until paid, at the rate of  
 (8%) Eight per cent per annum, payable Monthly for 20 YEARS

Should default be made in payment of interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note I promise to pay such sum as the Court may fix as attorney's fees.

This note is secured by DEED OF TRUST of even date herewith.

STATE OF CALIFORNIA, COUNTY OF KIMBLE; ss.  
 I, the undersigned, do hereby certify that  
 this day of JAN 1927, before me, Clerk of the  
 County of KIMBLE, the within and foregoing instrument was duly recorded in Vol. \_\_\_\_\_ of \_\_\_\_\_ ORANGE  
 By \_\_\_\_\_

X Matthew Palmer  
 X Edith Palmer

When paid, this note, if secured by Deed of Trust, must be surrendered to Trustee for cancellation, before  
 Reconveyance will be made.

DO NOT DESTROY THIS NOTE

SAN FRANCISCO BAY TITLE COMPANY

T-105

STATE OF OREGON, COUNTY OF KIMBLE; ss.

and for record at request of TRANSAMERICA-TITLE-INS. CO.

this 21st day of March A.D. 1927 at 3:55 P.M. and

duly recorded in Vol. M 77, of MORTGAGES on Page 4684

W. D. MILNE, County Clerk

FEE \$ 9.00

By Hazel Drayton