FORM No. 105A—MORTGAGE—One Page Long Form.

TC

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35594

THIS MORTGAGE, Made this 12TH day of SEPTEMBER, 1977, by PAUL NEAL and NANCY NEAL, husband and wife

Mortgagor,

to R. L. C. INVESTMENTS, INC., a Missouri Corporation

Mortgagee,

WITNESSETH, That said mortgagor, in consideration of Fifty eight thousand three hundred sixty and no/100ths--------Dollars, to him paid by said mortgagee, does hereby grant, bargain, sell and convey unto said mortgagee, his heirs, executors, administrators and assigns, that certain real property situated in Klamath County, State of Oregon, bounded and described as follows, to-wit:

See attached legal descriptions made a part hereof and marked exhibits "A", Parcels 1, 2, and 3.

SUBJECT TO: Rights of the public in and to any portion of the above described property lying within the limits of roads and highways; Easements and rights of way of record and those apparent on the land, if any.

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 ATTACHED EXHIBIT "B"

The date of maturity of the debt secured by this mortgage is the date on which the last scheduled principal payment becomes due, to-wit: March 12, 1978.

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 payable 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 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 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 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.

17002

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.

Paul Neal

Paul Neal

Nancy L Neal

Nancy Neal

*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.

STATE OF OREGON,
County of KLAMATH } ss.

BE IT REMEMBERED, That on this 12th day of September, 1977, before me, the undersigned, a notary public in and for said county and state, personally appeared the within named Paul Neal and Nancy Neal

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.

Linda G. Chandler
LINDA G. CHANDLER
Notary Public for Oregon
My commission expires 5-12-81

Notary Public for Oregon.
My Commission expires

MORTGAGE

(FORM No. 105A)

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

NEAL

TO

R.L.C. INVESTMENTS, INC.

AFTER RECORDING RETURN TO

TRANSAMERICA TITLE

SPACE RESERVED FOR RECORDER'S USE

STATE OF OREGON,
County of } ss.

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.

.... Title

By .... Deputy.

E X H I B I T "A"

All in Klamath County, Oregon

PARCEL 1:

A parcel of land lying in the NE¼ NE¼ Section 12, Township 39 South, Range 8 East of the Willamette Meridian, and being more particularly described as follows:

Beginning at a point at the Southwest corner of said NE¼ NE¼; thence East a distance of 30 feet; thence North along the Easterly right of way of a 60 foot road a distance of 660 feet to the true point of beginning; thence continuing North along said Easterly right of way a distance of 490 feet; thence East 234 feet; thence South 490 feet; thence West 234 feet to the true point on beginning.

PARCEL 2:

A portion of the NE¼NE¼ of Section 12, Township 39 South, Range 8 East of the Willamette Meridian, described as follows:

Beginning at a point at the Southwest corner of said NE¼NE¼; thence East a distance of 30 feet; thence North along the Easterly right of way of a 60 foot road a distance of 165 feet to the true point of beginning; thence continuing North along said Easterly right of way a distance of 495 feet; thence East a distance of 234 feet; thence South parallel to said road right of way a distance of 495 feet more or less to the Northeast corner of property described in Deed Volume 93 at page 130 in Klamath County Deed Records; thence West along the North line of said property described in Deed Volume 93 at page 130 to the point of beginning.

PARCEL 3:

The NE¼NE¼ of Section 12, Township 39 South, Range 8 East of the Willamette Meridian, EXCEPTING THEREFROM that portion conveyed in deed recorded in Deed Volume 93 at page 130, and also EXCEPTING THEREFROM that portion conveyed in deed recorded in Deed Volume M-71 at page 498.

EXHIBIT "B"

17004

REAL ESTATE MORTGAGE NOTE

$ 58,360.00 September 12 1977

For value received we *jointly and severally promise to pay to the order of*

R L C INVESTMENTS, INC.

FIFTY EIGHT THOUSAND THREE HUNDRED SIXTY AND no/100-------- DOLLARS

with interest thereon from date, until maturity, at the rate of 10% *per cent per annum due monthly; the interest and principal of this note payable in monthly installments as follows:*

Beginning on the ____ day of ____________, 19____ and on the ____ day of each month thereafter the sum of FIVE HUNDRED SEVENTY FIVE DOLLARS-------- DOLLARS

and the balance of said principal sum due and payable in full six (6) months from the above date

19____. The aforesaid monthly payments are to be applied to interest at the rate of 10% *per cent per annum on the principal sum or so much as shall from time to time remain unpaid and the balance of each monthly installment shall be applied on account of principal.*

All installments of both principal and interest are payable at the office of

R L C INVESTMENTS, INC.
612 West 47th Street
Kansas City, Missouri 64112

or at such other place as the holder hereof may designate in writing, in lawful money of the United States of America.

Default in payment of any interest and principal when due or failure to perform the agreements in the mortgage securing this note shall cause the whole principal to become due and payable if the holder of this note so elects, notice of such election being expressly waived. Both principal and interest of this note bear 10% *per cent interest after maturity. In event of any such default or acceleration, the undersigned agree to pay to the holder hereof reasonable attorney's fees, legal expenses and lawful collection costs in addition to all other sums due hereunder.*

The makers and endorsers severally waive presentment, protest and demand, notice of protest, demand and of dishonor and non-payment of this note, and expressly agree that this note, or any payment thereunder, may be extended from time to time without in any way affecting the liability of the makers and endorsers hereof.

This note is secured by 3 second /2 first mortgages and one second *mortgage of even date herewith on property located in the County of* Klamath *and the State of* Oregon *and this note is to be construed according to the laws of said state.*

The undersigned further agrees to pay a late charge of four (4) per cent of each payment more than fifteen (15) days in arrears to cover the extra expense of handling any delinquent payment.

Upon consummation of sale or transfer of title to the property securing this note, the entire balance remaining due hereunder shall become due and payable without notice concurrently with delivery of deed or consummation of sale, unless the holder hereof shall consent in writing to such sale or transfer of title.

Paul E. Neal

Nancy L. Neal

Return: T/A

DUPLICATE

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 12th day of September A.D., 19 77 at 3:41 o'clock P M., and duly recorded in Vol M77, of Mortgages on Page 17001.

WM. D. MILNE, County Clerk
By Dorothea G. Letsch Deputy

FEE $12.00