

39575 SECOND

THIS MORTGAGE Made this 1st day of November, 19 77,
by William A. Reeves and Virginia L. Reeves, husband and wife,
Paul R. Noble, Trustee for Angelia Colfax and John Colfax, Fred W. Koehler,
Jr., Charlotte Koehler, husband and wife, and Kelsey C. Peterson, Mortgagee,

WITNESSETH, That said mortgagor, in consideration of Forty-Four Thousand 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 cer-
tain real property situated in Klamath County, State of Oregon, bounded and described as
follows, to-wit:

The NW $\frac{1}{4}$ of Section 21, Township 35 South, Range 10 East of the Willamette
Meridian, Klamath County, Oregon.

Subject, however, to the following:
1. Right of way, including the terms and provisions thereof, from
Theodore Crume to The California Oregon Power Company, a California
Corporation, recorded April 24, 1959 in Book 312 at page 47, Deed
Records, for electric transmission and distribution lines.
2. Rights of the public in and to any portion of the herein
described property lying within the limits of roads and highways.
3. Well Agreement and easement, including the terms and provisions
thereof, recorded September 4, 1970 in Book M-70 at page 7840, between
Allen L. Foreman and Earle E. Huributt, et ux.
4. Mortgage, including the terms and provisions thereof, with interest
thereon and such future advances as may be provided therein, given to
secure the payment of \$14,000.00

Dated May 7, 1971
Recorded September 9, 1971 Book: M-71 Page: 9601
Mortgagor Raymond E. Colfax, M.D.
Mortgagee Allen L. Foreman
Said Mortgage was assigned by mesne assignments and by instrument
Dated December 5, 1972
Recorded December 5, 1972 Book: M-72 Page: 13924
To Gerald J. Horn, which Mortgage Buyers herein do not
assume and agree to pay, and Sellers further covenant to and with
Buyers that the said prior mortgage shall be paid in full prior to,
(for continuation of this document see reverse side of this mortgage)

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:
\$44,000.00

Paul R. Noble, Trustee for Angelia Colfax and John Colfax
Fred W. Koehler, Jr., Charlotte Koehler and Kelsey C. Peterson at Falls, Oregon
Forty-Four Thousand and No/100ths

with interest thereon at the rate of 8 1/2 percent per annum from November 1, 1977 until paid, payable in
annual installments, at the dates and in amounts as follows: Commencing December 1, 1978
annual installments of not less than \$5,140.52 in any one payment, and
a like installment being due and payable on the 1st day of December of
each year thereafter until the whole of the balance of the purchase price
is fully paid;

balloon payments, if any, will not be refinanced; interest shall be paid annually
the payments above required, which shall continue until this note, principal and interest, is fully 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 the reasonable attorney's fees and collection costs of the holder
hereof, and if suit or action is filed hereon, also promise to pay (1) 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.

No prepayment penalty.

The date of maturity of the debt secured by this mortgage is the date, on which the last scheduled principal payment be-
comes due, to-wit: November 1, 19 87

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 except as noted above

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
now or may become liens on the premises or any part thereof superior to the lien of this mortgage; that he will keep the buildings
hazardous 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 title officers or searching agencies as may be deemed desirable by the mortgagee.

William A. Reeves
William A. Reeves
Virginia L. Reeves

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 for a mortgagor who is a natural person for business or investment 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 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.

(continuation from front)
or at the time this second mortgage is fully paid and that said above described real property will be released from the lien of said mortgage upon payment of this second mortgage.

It is further agreed by and between Mortgagors that the interests of Fred W. Koehler, Jr. and Charlotte Koehler, shall not be assigned without the written consent of Mortgagors, until the judgment liens have been cleared from the Mortgage from Mortgagors to Fred W. Koehler, Jr. and Charlotte Koehler. Mortgages dated November 1, 1977.
IN WITNESS WHEREOF, said mortgagor has hereunto set his hand the day and year first above written.

William A. Reeves
William A. Reeves
Virginia L. Reeves
Virginia L. Reeves

*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, on such word as 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-Next Form No. 1300 or equivalent; if this instrument is NOT to be a first lien, use Stevens-Next Form No. 1300, or equivalent.

MORTGAGE
(FORM No. 104A)

TO

STATE OF OREGON,
County of KLANATH

I certify that the within instrument was received for record on the 28th day of NOVEMBER, 1977, at 10:53 o'clock AM, and recorded in book M77 on page 22963 or as file number 39575. Record of Mortgages of said County.
Witness my hand and seal of County affixed.

WM. D. MILNE

COUNTY CLERK

Title

Deputy

FEE \$ 6.00

STEVENS-NEXT LAW FIRM, CO., PORTLAND, ORE.

JA-D

STATE OF OREGON CALIFORNIA

County of Klamath

BE IT REMEMBERED, That on this 5 day of November, 1977, before me, the undersigned, a notary public in and for said county and state, personally appeared the within named William A. Reeves and Virginia L. Reeves, husband and wife,

known to me to be the identical individual 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 first above written.

James L. [Signature]
Notary Public for the State of California
My Commission Expires 9/21/77