

MORTGAGE

THIS INDENTURE, Made and entered into this 20th day of March, 1978, by and between HARRY R. WAGGONER and NORMA E. WAGGONER, husband and wife, and ORE-CAL GENERAL WHOLESALE, INC., an Oregon corporation, herein called "mortgagors", and GLENN DEHLINGER and DOROTHY DEHLINGER, husband and wife, herein called "mortgagees";

WITNESSETH:

WHEREAS, mortgagees hold a promissory note dated July 1, 1973, in the principal amount of \$100,000.00 given by Harry R. Waggoner and Norma E. Waggoner, husband and wife, and

WHEREAS, the due date for the payment of said note has heretofore, by agreement of the parties hereto, been extended to August 1, 1978, and

WHEREAS, there is now owing on said note the principal amount of \$100,000.00, with interest thereon at the rate of 10% per annum from March 1, 1978, and

WHEREAS, Harry R. Waggoner and Norma E. Waggoner, husband and wife, have given a mortgage to mortgagees to secure the payment of said promissory note, and

WHEREAS, mortgagors desire to secure a release of certain properties from the lien of said mortgage and to substitute other properties as security therefor.

NOW, THEREFORE, for and in consideration of the sum of ONE HUNDRED THOUSAND AND NO/100 DOLLARS to them paid, the receipt of which is hereby acknowledged, the above-named mortgagors have granted, bargained, sold and conveyed and by these presents do grant, bargain, sell and convey unto said mortgagees the following-described premises, situated in Klamath County, Oregon, to-wit:

PARCEL 1: A parcel of property located in portions of vacated Blocks 2, 3, 6, 7, 9 and 10, ELDORADO ADDITION to the City of Klamath Falls, Oregon, more particularly described as follows: Beginning at a point being the intersection of the southerly right of way line of Eldorado Boulevard and the Northwest right of way line of Sloan; thence S. 38°16'30" W., along said right of way line of Sloan, a distance of 576.60 feet to the South right of way line of Dahlia Street; thence N. 51°43'30" W., along said right of way line, a distance of 25.00 feet; thence S. 38°16'30" W., a distance of 100.00 feet; thence N. 51°43'30" W., a distance of 175.00 feet; N. 38°16'30" E., a distance of 668.38 feet, to a point on the southerly right

of way line of Eldorado Boulevard; thence southeasterly, along the arc of a $8^{\circ}28'30''$ curve to the right, a distance of 200.77 feet to the point of beginning.

PARCEL 2: A tract of land situated in Lot 5, Block 6, Tract 1080, WASHBURN PARK, a duly recorded subdivision, more particularly described as follows: Beginning at the SE corner of said Lot 5; thence West along the North line of Hilyard Avenue 194.04 feet; thence N. $00^{\circ}09'45''$ E. 50.00 feet; thence W. 50.00 feet; thence N. $00^{\circ}09'45''$ E. 230.00 feet; thence E. 249.61 feet to the westerly line of Washburn Way; thence along the westerly line of Washburn Way, S. $00^{\circ}04'50''$ W. 141.19 feet, S. $16^{\circ}39'57''$ W. 21.75 feet, S. $00^{\circ}02'00''$ E. 117.97 feet to the point of beginning, with bearings based on the subdivision plat of said Tract 1080, Washburn Park, containing 1.53 acres.

PARCEL 3: A tract of land located in the SW $\frac{1}{4}$, Section 34, Township 39 S., R. 9 E.W.M., containing nine acres, more or less, and more particularly described as follows: Beginning at the section corner common to Sections 33 and 34, Township 39 S., R. 9 E.W.M., and Sections 3 and 4, Township 40 S., R. 9 E.W.M., and running thence N. $89^{\circ}54'05''$ E. along the South line of said Section 34, 1977.00 feet to a point; thence N. $0^{\circ}05'25''$ W. 30.00 feet to the true point of beginning, said true point of beginning being on the northerly right of way line of Midland Road; from said true point of beginning, thence N. $0^{\circ}05'25''$ W. 1400.00 feet to a point; thence S. $37^{\circ}36'30''$ E. 542.20 feet to a point; thence S. $0^{\circ}04'55''$ E. 970.00 feet to a point on the northerly right of way line of said Midland Road; thence S. $89^{\circ}54'05''$ W. along said right of way line 330 feet to the true point of beginning, said tract of land containing 9 acres, more or less, all in Klamath County, Oregon.

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 Glenn Dehlinger and Dorothy Dehlinger, husband and wife, their heirs and assigns forever.

This conveyance is intended as a mortgage to secure the payment of the sum of ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000.00) in accordance with the terms of that certain promissory note of which the following is a substantial copy:

On or before August 1, 1973, each of the undersigned promises to pay to the order of GLENN DEHLINGER and DOROTHY DEHLINGER, and upon the death of any of them, then to the order of the survivor of them, at Klamath Falls, Oregon, - - One Hundred Thousand, and 00/100 - - - Dollars, with interest thereon at the rate of 9% per annum from July 1, 1973, until paid; interest to be paid monthly, commencing August 1, 1973, and if not so paid, the whole sum of both 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, each of the undersigned promises and agrees to pay the reasonable collection costs of the holder hereof; and, if suit or action is filed hereon, also promises 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 payee 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 interest shall vest absolutely in the survivor of them.

All or any portion of principal or interest can be prepaid at any time without penalty.

Glenn Dehlinger
Dorothy Dehlinger

By instrument dated August 6, 1975, the interest rate on the above note was increased to 10% per annum.

Mortgagees covenant and agree to release Parcel 3 above from the lien of the within mortgage upon payment of the sum of \$25,000.00 on the principal amount of said note and to release Parcel 1 upon the request of mortgagors and the payment of the sum of \$50,000.00 on the principal balance of the note and to satisfy the within mortgage at any time upon payment in full of the principal balance and accrued interest.

The within mortgage is given to record the substitution of different property for Parcel 2 as set forth in that certain mortgage dated December 23, 1975, recorded December 24, 1975, in Volume M-75, Page 16149, mortgage records of Klamath County, Oregon, and to continue the mortgage lien on Parcels 1 and 3 above as set forth in the mortgage dated December 23, 1975.

Mortgagors warrant that the proceeds of the loan represented by the above-described note and this mortgage 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 Glenn Dehlinger and Dorothy Dehlinger, husband and wife, 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 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 mortgagors, their heirs, successors or assigns.

WITNESS our hands this 20th day of March, 1978.

[Signature]
ORE-CAL GENERAL WHOLESALE, INC.

By [Signature]
President

By [Signature]
Secretary

STATE OF OREGON }

County of KLAMATH }

ss. March 20, 1978

Personally appeared the above-named HARRY R. WAGGONER and NORMA E. WAGGONER, husband and wife, known to me to be the identical persons described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

Before me:

[Signature]
NOTARY PUBLIC FOR OREGON

My commission expires April 15, 1980

STATE OF OREGON }

County of KLAMATH }

ss. March 20, 1978

Personally appeared HARRY R. WAGGONER and JEWELL HUSTON, who, being first duly sworn, did say that they are the President and Secretary, respectively, of ORE-CAL GENERAL WHOLESALE, INC., an Oregon corporation, and that the foregoing Mortgage was signed in behalf of said corporation by authority of its board of directors, and they acknowledged said instrument to be its voluntary act and deed.

Before me:

[Signature]
NOTARY PUBLIC FOR OREGON

My commission expires April 15, 1980

Return To

H.F. Smith
540 Main St.
Room 303

Klamath Falls, Ore

9760

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at

this 29th day of March A. D. 1978 at 3:07 clock P. M., and

is recorded in Vol. M78 of Mortgages on Page 5970

(Mortgage - 4)

Wm D. MILNE, County Clerk

[Signature]

Fee \$12.00