

SECOND MORTGAGE

THIS MORTGAGE, Made this 4th day of April, 1978, by Thomas D. Sunday and Dorothy R. Sunday, husband and wife, Mortgagor, to Karen and Phillip Doddridge, husband and wife, Mortgagee,

WITNESSETH, That said mortgagor, in consideration of (\$20,056.80) Twenty Thousand - Fifty-Six Dollars and 80/100 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:

SKYLINE VIEW tract, Lot 35, commonly known as 7640 Cannon

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and which may hereafter thereto belong to 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.

978 APR 11 PM 4 33

1 This mortgage is intended to secure the payment of a  
2 promissory note, a copy of which is attached hereto, marked  
3 Exhibit "A" and by this reference incorporated herein.

4 The mortgagor warrants that the proceeds of the loan  
5 represented by the above described note and this mortgage are:

6 (a) primarily for mortgagor's personal family, house-  
7 hold or agricultural purposes.

8 This mortgage is inferior, secondary and made subject  
9 to a prior mortgage on the above described real estate made  
10 by Karen and Phillip Doddridge, wife and husband, now assumed  
11 by Thomas D. and Dorothy R. Sunday, husband and wife, to the  
12 First Federal Savings and Loan Association of Klamath Falls,  
13 Dated March 9, 1973, and recorded in the mortgage records of  
14 the above named county in book M 73, at page 2608, thereof,  
15 reference to said mortgage records hereby being made; the said  
16 first mortgage was given to secure a note for the principal  
17 sum of \$48,100.00; the unpaid principal balance thereof on  
18 the date of the execution of this instrument is \$41,849.94  
19 and no more; interest thereon is paid to March 31, 1978; said  
20 prior mortgage and the obligations secured thereby hereinafter,  
21 for brevity, are called simply "first mortgage".

22 The mortgagor covenants to and with the mortgagee, his  
23 heirs, executors, administrators and assigns, that he is  
24 lawfully seized in fee simple of said premises; that the same  
25 are free from all encumbrances except said first mortgage and  
26 further except those encumbrances apparent on the land, if any.

1 and that he will warrant and forever defend the same against  
2 all persons; further, that he will do and perform all things,  
3 required of him and pay all obligations due or to become due  
4 under the terms of said first mortgage as well as the note  
5 secured hereby, principal and interest, according to the  
6 terms thereof; that while any part of the note secured hereby  
7 remains unpaid, he will pay all taxes, assessments and other  
8 charges of every nature which may be levied or assessed  
9 against said property, or this mortgage or the note secured  
10 hereby, when due and payable and before the same become  
11 delinquent; that he will promptly pay and satisfy any and all  
12 liens or encumbrances that are or may become liens on the  
13 premises or any part thereof superior to the lien of this  
14 mortgage; that he will keep the buildings now on or which  
15 hereafter may be erected on the said premises continuously  
16 insured against loss or damage by fire, and such other hazards  
17 as the mortgagee may from time to time require, in an amount  
18 not less than \$20,000.00 in a company or companies acceptable  
19 to the mortgagee herein, with loss payable, first to the holder  
20 of the said first mortgage; second, to the mortgagee named  
21 herein, and then to the mortgagor as the respective interests  
22 may appear; all policies of insurance shall be delivered to  
23 the holder of the said first mortgage as soon as insured and  
24 a certificate of insurance executed by the company in which  
25 said insurance is written, showing the amount of said coverage,  
26 shall be delivered to the mortgagee named in this instrument.

5124

1 Now, if the mortgagor shall fail for any reason to procure  
2 any such insurance and to deliver said policies as aforesaid  
3 at least fifteen days prior to the expiration of any policy of  
4 insurance now or hereafter placed on said buildings, the  
5 mortgagee may procure the same at mortgagor's expense; that  
6 the mortgagor will keep the buildings and improvements on said  
7 premises in good repair and will not commit or suffer any  
8 waste of said premises. In the event any personal property is  
9 part of the security for this mortgage, then at the request  
10 of the mortgagee, the mortgagor shall join with the mortgagee  
11 in executing one or more financing statements pursuant  
12 to the Uniform Commercial Code, in form satisfactory to the  
13 mortgagee, and will pay for filing the same in the proper  
14 public office or offices, as well as the cost of all lien  
15 searches made by filing officers or searching agencies as may  
16 be deemed desirable by the mortgagee.

17 Now therefore, if said mortgagor shall keep and perform  
18 the covenants herein contained and shall pay all obligations  
19 secured by said first mortgage as well as the note secured  
20 hereby according to its terms, this conveyance shall be void,  
21 but otherwise shall remain in full force as a mortgage to  
22 secure the performance of all of said covenants, and the payments  
23 of the note secured hereby; it being agreed that a failure to  
24 perform any covenant herein or if a proceeding of any kind be  
25 taken to foreclose any lien on said premises or any part thereof, the  
26 mortgagee shall have the option to declare the whole amount  
unpaid on said note or on this mortgage at once due and payable,

SECOND MORTGAGE, page IV



1 and this mortgage may be foreclosed at any time thereafter.  
2 And if the mortgagor shall fail to pay any taxes or charges  
3 or any lien, encumbrance or insurance premium as above  
4 provided for, or fail to do or perform anything required of  
5 him by said first mortgage, the mortgagee herein, at his  
6 option, shall have the right to make such payments and to do  
7 and perform anything required of the mortgagor under said first  
8 mortgage herein, at his option, shall have the right to  
9 make such payments and to do and perform the acts required  
10 of the mortgagor under said first mortgage; and any payment  
11 so made, together with the cost of such performance shall  
12 be added to and become a part of the debt secured by this mortgage,  
13 and shall bear interest at the same rate as the note secured  
14 hereby without waiver, however, of any right arising to the  
15 mortgagee for breach of covenant. And this mortgage may be  
16 foreclosed for principal, interest and all sums paid by the  
17 mortgagee at any time while the mortgagor neglects to repay  
18 any sums so paid by the mortgagee. In the event of any suit  
19 or action being instituted to foreclose this mortgage, the  
20 mortgagor agrees to pay all reasonable costs incurred by  
21 the mortgagee for title reports and title search, all statutory  
22 costs and disbursements and such further sum as the trial court  
23 may adjudge reasonable as plaintiff's attorney's fees in such  
24 suit or action, and if an appeal is taken from any judgement  
25 or decree entered therein, mortgagor further promises to pay  
26 such sum as the appellate court shall adjudge reasonable as

1 plaintiff's attorney's fees on such appeal, all such sums to  
2 be secured by the lien of this mortgage and included in the  
3 decree of foreclosure.

4 Each and all of the covenants and agreements herein  
5 contained shall apply to and bind the heirs, executors,  
6 administrators and assigns of said mortgagor and of said  
7 mortgagee respectively.

8 In case suit or action is commenced to foreclose this  
9 mortgage, the Court may, upon motion of the mortgagee, appoint  
10 a receiver to collect the rents and profits arising out of said  
11 premises during the pendency of such foreclosure, and apply  
12 the same, after first deducting all of said receiver's proper  
13 charges and expenses, to the payment of the amount due under  
14 this mortgage.

15 In construing this mortgage, it is understood that the  
16 mortgagor or mortgagee may be more than one person; that if the  
17 context so requires, the singular pronoun shall be taken to  
18 mean and include the plural, the masculine, the feminine and  
19 the neuter, and that generally all grammatical changes shall be  
20 made, assumed and implied to make the provisions hereof apply  
21 equally to corporations and to individuals.

22 IN WITNESS WHEREOF, said mortgagor has hereunto set his  
23 hand the day and year first above written.  
24  
25  
26

Thomas D. Sunday  
Thomas D. Sunday

Dorothy R. Sunday  
Dorothy R. Sunday

SECOND MORTGAGE - page VI

1 STATE OF OREGON,  
2 County of Klamath } ss.  
3

4 BE IT REMEMBERED, That on this 4th day of April, 1978,  
5 before me, the undersigned, a notary public in and for said  
6 county and state, personally appeared the within named  
7 Thomas D. Sunday and Dorothy R. Sunday, husband and wife,  
8 known to me to be the identical individuals described in and  
9 who executed the within instrument and acknowledged to me  
10 that they executed the same freely and voluntarily.

11 IN TESTIMONY WHEREOF, I have  
12 hereunto set my hand and affixed  
13 my official seal the day and  
14 year last above written.

15 *Lynn Owens*

16 Notary Public for Oregon

17 My Commission expires: 5-14-80

18  
19  
20  
21  
22  
23  
24 *Return to*  
25 *Phil Daddridge*  
26 *7575 Cannon*  
27 *K. Falls*

28 SECOND MORTGAGE, page VII

## PROMISSORY NOTE

"EXHIBIT A"

\$20,056.80

Klamath Falls, Oregon

April 4, 1978

For value received, we, jointly promise to pay to the order of Phillip Doddridge and Karen Doddridge, husband and wife, at 7575 Cannon Street, Klamath Falls, Oregon, the principal sum of Twenty Thousand Fifty-Six and 80/100 Dollars (\$20,056.80) in installments as follows:

Fifty-Six and 80/100 Dollars	(\$56.80)	on April 1, 1979
Two Thousand and No/100 Dollars	(\$2,000.00)	on April 1, 1980
Four Thousand and No/100 Dollars	(\$4,000.00)	on April 1, 1981
Six Thousand and No/100 Dollars	(\$6,000.00)	on April 1, 1982
Eight Thousand and No/100 Dollars	(\$8,000.00)	on April 1, 1983

Interest shall accrue on all unpaid balances of principal at the rate of ten per cent (10%) per year from the date of this note until fully paid. Interest shall be paid to the order of Phillip Doddridge and Karen Doddridge, husband and wife, in equal monthly installments of not less than one twelfth (1/12) of the total annual interest due on the total unpaid principal. The first such interest payment shall be due and payable on the first day of May, 1978, with a like payment due on the first day of each month thereafter, until the entire balance of principal and interest is 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, 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.

\_\_\_\_\_  
Thomas D. Sunday

\_\_\_\_\_  
Dorothy R. Sunday

STATE OF OREGON, COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 11th day of April, A.D., 19 78 at 4:33 o'clock P. M., and duly recorded in Vol. M78, of Vestage on Page 692.

FEE \$24.81

WM. D. MILNE, County Clerk

By Bernita J. Keloch Deputy