54595

This Indenture, made this 21st day of August, 1978, between

* * * * William W. Keeney and Gloria G. Keeney * * * * * * * *

hereinafter called "Mortgagor", and FIRST NATIONAL BANK OF OREGON, a national banking association, hereinafter called "Mortgagee" whose address is

Personnel Relations Dept, P O Box 3131, Portland, Oregon 97208

WITNESSETH:

For value received by the Mortgagor from the Mortgagee, the Mortgagor has bargained and sold and does hereby grant, bargain, sell and convey unto the Mortgagee, all the following described property situate in Klamath County, Oregon, to wit:

Lot 10 Block 1, Wendy Park, Klamath County, Oregon

together with the tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in anywise appertaining; also all such apparatus, equipment and fixtures now or hereafter situate on said premises, as are ever furnished by landlords in letting unfurnished buildings similar to the one situated on the real property hereinabove described, including, but not exclusively, all fixtures and personal property used or intended for use for plumbing, lighting, heating, cooking, cooling, ventilating or irrigating, linoleum and other floor coverings attached to floors, and shelving, counters, and other store, office and trade fixtures; also the rents, issues and profits arising from or in connection with the said real and personal property or any part thereof.

To Have and To Hold the same unto the Mortgagee, its successors and assigns, forever.

And the Mortgagor does hereby covenant to and with the Mortgagee, that he is lawfully seized in fee simple of the said real property, that he is the absolute owner of the said personal property, that the said real and personal property is free from encumbrances of every kind and nature, and that he will warrant and forever defend the same against the lawful claims and demands of all persons whomsoever.

This conveyance is intended as a mortgage to secure performance of the covenants and agreements herein contained, to be by the Mortgagor kept and performed, and to secure the payment of the sum of $20,500.00 * * * * * * * * * * * * * * * * * and interest thereon in accordance with the tenor of a certain promissory note executed by William W. Keeney and Gloria G. Keeney * * * *

dated August 21, 1978, payable to the order of the Mortgagee in installments not less than $ * * * * * * * * * * each, * * * * * * * * * * * * * * * * installment, on the * * * * * * * * * day of each * commencing * , 19 * * * , until * , * * * , when the balance then remaining unpaid shall be paid.

Payable in one installment of principal and interest on December 1, 1978

The Mortgagor does hereby covenant and agree to and with the Mortgagee, its successors and assigns:

1. That he will pay, when due, the indebtedness hereby secured, with interest, as prescribed by said note, and all taxes, liens and utility charges upon said premises or for services furnished thereto.

2. That he will not commit or permit strip or waste of the said premises or any part thereof; that he will keep the real and personal property hereinabove described in good order and repair and in tenantable condition; that he will promptly comply with any and all municipal and governmental rules and regulations with reference thereto; that if any of the said property be damaged or destroyed by any cause, he will immediately reconstruct or repair the same so that, when completed, it shall be worth not less than the value thereof at the time of such loss or damage; provided, that if such loss or damage shall be caused by a hazard against which insurance is carried, the obligation of the Mortgagor to repair or reconstruct shall not arise unless the Mortgagee shall consent to the application of insurance proceeds to the expense of such reconstruction or repair.

3. That he will, at his own cost and expense, keep the building or buildings now or hereafter upon said premises, together with all personal property covered by the lien hereof, insured against loss by fire and against loss by such other hazards as the Mortgagee may from time to time require, in one or more insurance companies satisfactory to or designated by the Mortgagee in an aggregate amount not less than the amount of the indebtedness hereby secured (unless the full insurable value of such building or buildings is less than the amount hereby secured, in which event the Mortgagor shall insure to the amount of the full insurable value); that all policies of insurance upon said premises, including policies in excess of the amount hereinabove mentioned and policies against other hazards than those required, shall contain such provisions as the Mortgagee shall require and shall provide, in such form as the Mortgagee may prescribe, that loss shall be payable to the Mortgagee; that all such policies and receipts showing full payment of premiums thereon shall be delivered to and retained by the Mortgagee during the existence of this mortgage; that at least 5 days prior to the ex-

[illegible] INDIVIDUAL OR CORPORATION - RESIDENTIAL OR BUSINESS

[illegible]

4. [illegible]

5. [illegible]

6. [illegible]

7. [illegible]

8. That, in the event of the institution of any suit or action to foreclose this mortgage, the Mortgagor will pay such sum as the trial court and any appellate court may adjudge reasonable as attorney's fees in connection therewith and such further sums as the Mortgagee shall have paid or incurred for extensions of abstracts or title searches or examination fees in connection therewith, whether or not final judgment or decree therein be entered and all such sums are secured hereby; that in any such suit, the court may, upon application of the plaintiff and without regard to the condition of the property or the adequacy of the security for the indebtedness hereby secured and without notice to the Mortgagor or any one else, appoint a receiver to take possession and care of all said mortgaged property and collect and receive any or all of the rents, issues and profits which had theretofore arisen or accrued or which may arise or accrue during the pendency of such suit; that any amounts so received shall be applied toward the payment of the debt secured hereby, after first paying therefrom the charges and expenses of [illegible] a breach or default by the Mortgagor in one or more of his covenants or agreements herein contained, he may remain in possession of the mortgaged property and retain all rents actually paid to and received by him prior to such default.

9. The word "Mortgagor", and the language of this instrument shall, where there is more than one mortgagor, be construed as plural and be binding jointly and severally upon all mortgagors and the word "Mortgagee" shall apply to any holder of this mortgage. Masculine pronouns include the feminine and neuter. All of the covenants of the Mortgagor shall be binding upon his heirs, executors, administrators, successors and assigns and inure to the benefit of the successors and assigns of the Mortgagee. In the event of any transfer of the property herein described or any part thereof or any interest therein, whether voluntary or involuntary or by operation of law, the Mortgagee may, without notice to the Mortgagor or any one else, one or more times, extend the time of payment or grant renewals of indebtedness hereby secured for any term, execute releases or partial releases from the lien of this mortgage or in any other respect modify the terms hereof without thereby affecting the personal primary liability of the Mortgagor for the payment of the indebtedness hereby secured. No condition of this mortgage shall be deemed waived unless the same be expressly waived in writing by the Mortgagee. Whenever any notice, demand, or request is required by the terms hereof or by any law now in existence or hereafter enacted, such notice, demand or request shall be sufficient if personally served on one or more of the persons who shall at the time hold record title to the property herein described or if enclosed in a postpaid envelope addressed to one or more of such persons or to the Mortgagor at the last address actually furnished to the Mortgagee or at the mortgaged premises and deposited in any post office, station or letter box.

IN WITNESS WHEREOF, said Mortgagor has executed this indenture the day and year first above written.

William W Kearney

Gloria G Kearney

STATE OF OREGON

County of Jefferson

August 21, 1978

Personally appeared the above named

William W. Kearney and Gloria G. Kearney

and acknowledged the foregoing instrument to be

their voluntary act and deed.

Before me:

(SEAL) [signature]

Notary Public for Oregon

My commission expires:

My Commission Expires December 12, 1981

CORPORATE ACKNOWLEDGEMENT

STATE OF OREGON, County of __________) ss.

__________, 19____

Personally appeared __________

and __________

who being duly sworn, did say that he, __________

__________ *is the* __________

and he, __________

__________ *is the*

__________ *of*

a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation (provided said corporation has such seal) and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged said instrument to be its voluntary act and deed.

Before me:

Notary Public for Oregon __________ *(Seal)*

My commission expires:

MORTGAGE

FIRST NATIONAL BANK OF OREGON
Personnel Relations Dept. T-13
1300 S.W. 5th St.
Portland, Oregon 97208
attn: Kathy Cartwright

STATE OF OREGON, }
County of Klamath }

Filed for record at request of

First National Bank of Oregon

on this 7th day of September A.D. 1978

at 11:45 o'clock A M, and duly

recorded in Vol. M78 of Mortgages

Page 19780

Wm D. MILNE, County Clerk

By [signature] Deputy

Fee $6.00