

MORTGAGE

1 THIS INDENTURE WITNESSETH: That GENE D. SPILLANE and VIRGINIA
2 G. SPILLANE, husband and wife, of the County of Klamath, State of
3 Oregon, for and in consideration of the sum of FIFTY ONE THOUSAND
4 FOUR HUNDRED FIFTY and NO/100, (\$51,450.00), DOLLARS, to them in
5 hand paid, the receipt whereof is hereby acknowledged, have granted,
6 bargained, sold and conveyed, and by these presents do grant, bar-
7 gain, sell and convey unto I.L. HARRIS and MARGARET M. HARRIS,
8 husband and wife, of Klamath County, State of Oregon, the follow-
9 ing described real property situated in Klamath County, State of
10 Oregon, to-wit:

11 NW 1/4 SE 1/4 and all that portion of the SW 1/4 lying
12 Northerly and Easterly of the Lost River Channel Improvement
in Section 3, Township 40 South, Range 13 E.W.M.

SUBJECT TO: All future real property taxes and assessments; acreage and use limitations under provisions of United States Statutes and regulations thereunder; liens and assessments of Klamath Project and Langell Valley Irrigation District and regulations, contracts, easements and water and irrigation rights in connection therewith; easements, reservations, restrictions and rights of way of record, and those apparent on the land; Mortgage, including the terms and provisions thereof, given by John Edward Harris et al, to The Federal Land Bank of Spokane, a corporation, dated 6/28/65, recorded 7/20/65 in Vol. M65, page 99, Mortgage Records of Klamath County, Oregon, right of the public and of governmental bodies in and to any portion of the above described property lying below the ordinary high water mark of Lost River and in and to said water; rights of the public in any portion of the herein described premises lying within the limits of any road or highway.

22 Together with the tenements, hereditaments and appurtenances
23 thereunto belonging, or in anywise appertaining.

24 TO HAVE AND TO HOLD the same with the appurtenances, unto the
25 said I.L. HARRIS and MARGARET M. HARRIS, husband and wife, their
26 heirs and assigns forever.

Page (1) Mortgage

26
R. Turner
 PRENTISS K. PICKETT, P. C.

13263

1 THIS CONVEYANCE is intended as a Mortgage to secure the pay-
2 ment of FIFTY ONE THOUSAND FOUR HUNDRED FIFTY and NO/100 DOLLARS
3 (51,450.00) in accordance with the terms of that certain promissory
4 note, a copy of which is attached hereto, marked Exhibit "A" and
5 by this reference made a part hereof.

6 Now, if the sum of money due upon said instrument shall be
7 paid according to the agreement therein expressed, this conveyance
8 shall be void; but in case default shall be made in payment of the
9 principal or interest or any part thereof as above provided, then
10 the said I.L. HARRIS and MARGARET M. HARRIS, husband and wife, and
11 their legal representatives, or assigns may foreclose the Mortgage
12 and sell the premises above described with all and every of the
13 appurtenances or any part thereof, in the manner prescribed by law,
14 and out of the money arising from such sale, retain the said
15 principal, interest and attorneys fees as provided in said note,
16 together with the costs and charges of making such sale and the
17 surplus, if there be any, pay over to the said GENE D. SPILLANE
18 and VIRGINIA G. SPILLANE, husband and wife, their heirs or assigns.

19 Mortgagors further agree that in the event of a subsequent
20 sale by them of the within described real property that this mort-
21 gage will not be assumed, by a new purchaser, but shall be paid
22 in full at the time of any such sale or other disposition of
23 Mortgagors' interest in said property.

24 WITNESS their hands this 5 day of June, 1979.

25 Gene D. Spillane
26 Virginia G. Spillane

PRENTISS R. PICKETT P.C.
LAW OFFICES
100 NORTH THIRD STREET
KEAMATH FALLS, OREGON 97111
TELEPHONE
AREA CODE 503
886-5541

13264

1 STATE OF OREGON)
2) ss.
3 County of Klamath)

4 BE IT REMEMBERED, That on this 5 day of June, 1979, before
5 me, the undersigned, a Notary Public in and for said County and
6 State, personally appeared the within named GENE D. SPILLANE and
7 VIRGINIA G. SPILLANE, husband and wife, known to me to be the
8 identical individuals described in and who executed the within
9 instrument and acknowledged to me that they executed the same
10 freely and voluntarily.

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

13 *Betty C. Ruckert*
14 Notary Public for Oregon
15 My Commission expires: 1-7-80
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PRENTISS K. DECKERT, P.C.
100 NORTH THIRD STREET
KLAMATH FALLS, OREGON 97603
TELEPHONE
AREA CODE 504
684-5500

EXHIBIT "A"
INSTALLMENT NOTE

13265

1 \$51,450.00 Klamath Falls, Oregon, June 1979

2 We, jointly and severally, promise to pay to the order of
3 I.L. HARRIS and MARGARET M. HARRIS, husband and wife, and upon the
4 death of either of them, then to the order of the survivor of
5 them, at KLAMATH FIRST FEDERAL SAVINGS & LOAN ASSOCIATION, Klamath
6 Falls, Oregon, FIFTY ONE THOUSAND FOUR HUNDRED FIFTY and NO/100,
7 \$51,450.00, DOLLARS, with interest thereon at the rate of 7% per-
8 cent per annum from June 5, 1979, until paid, payable in annual
9 installments of not less than \$4,150.00 in any one payment; inter-
10 est shall be paid annually and is included in the minimum payments
11 above required; the first payment to be made on the 5th day of
12 January, 1980, and a like payment on the 5th day of every January
13 thereafter, until the whole sum, principal and interest, has been
14 paid; if any of said installments is not so paid, all principal
15 and interest to become immediately due and collectible at the
16 option of the holder of this note. If this note is placed in the
17 hands of an attorney for collection, we promise and agree to pay
18 holder's reasonable attorney's fees and collection costs, even
19 though no suit or action is filed hereon; however, if a suit or an
20 action is filed, the amount of such reasonable attorney's fees
21 shall be fixed by the court, or courts in which the suit or action,
22 including any appeal therein, is tried, heard or decided.

23 It is the intention of the parties hereto that the said
24 payees do not take the title hereto as tenants in common but with
25 the right of survivorship, that is: on the death of any of the
26 payees, the right to receive payment of the then unpaid balance
of principal and interest shall vest absolutely in the survivor
of them.

16 /s/ Gene D. Spillane

18 /s/ Virginia G. Spillane

20 STATE OF OREGON; COUNTY OF KLAMATH; ss.

21 ed for record at request of Prentiss K. Puckett, Atty.

22 on the 6th day of June, A. D. 1979, at 4:20'clock P. M., on

23 duly recorded in Vol. 1179, of Mortgages on Page 13265

24 Wm D. MILNE, County Clerk

By Bernice M. Hetch

25 Fee \$12.00

PRENTISS K. PUCKETT, P.C.
LAW OFFICES
100 NORTH THIRD STREET
KLAMATH FALLS, OREGON 97601
TELEPHONE
AREA CODE 503
555-5555

Installment Note
EXHIBIT "A"