

79454

THIS MORTGAGE, Made this 16th day of January, 1980
by Lawrence L. Douglas and Janette L. Douglas, Husband and Wife Mortgagee,
to Ronald E. Phair and Charles A. Fisher Mortgagee.
WITNESSETH, That said mortgagor, in consideration of One thousand one hundred fifty four
and 87/100 Dollars, 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:

Lot 3 Block 3, ROLLING HILLS, TRACT NO. 1099, according to the official plat thereof
on file in the office of the County Clerk of Klamath County, Oregon.

Together with all and singular the tenements, hereditaments and appurtenances thereto 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
as 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, adminis-
trators and assigns forever.

This mortgage is intended to secure the payment of promissory note, of which the following is a substantial copy:

1,154.87 Klamath Falls, Oregon January 16, 1980
I (or if more than one maker) we, jointly and severally, promise to pay to the order of Ronald E. Phair
and Charles A. Fisher at 403 Main St. Klamath Falls, Oregon
ONE THOUSAND ONE HUNDRED FIFTY FOUR AND 87/100 DOLLARS,
with interest thereon at the rate of 10 percent per annum from date until paid, payable in
installments, at the dates and in amounts as follows:
First payment due March 1, 1980 in the amount of \$700.00
Second payment due April 1, 1980 in the amount of \$700.00
Final instalment due in full including interest May 1, 1980

balloon payments, if any, will not be refinanced; interest shall be paid with each payment and in addition to
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.

/s/
Lawrence L. Douglas

/s/
Janette L. Douglas

(1) This mortgage is for mortgage purposes, namely, household or agricultural purposes (see Important Notice below).
(2) For an organization, (even if mortgagor is a natural person) use for business or commercial purposes other than agricultural
purposes.

This mortgage is inferior, secondary and made subject to a prior mortgage on the above described real estate made by
Lawrence L. Douglas and Janette L. Douglas

to State Department of Veterans Affairs dated 1-16-80
is and recorded in the mortgage records of the above named county in book M80 at page thereof, or as
the number (indicate which), reference to said mortgage records
being made, the said first mortgage was given to secure a note for the principal sum of \$ 50,000.00 and no more; interest thereon is paid
principal balance thereof on the date of the execution of this instrument is \$ 50,000.00 and no more; interest thereon is paid
to 1-16-80 and prior mortgage and the obligations secured thereby heretofore, for brevity, are called
simple first mortgage

The mortgagee covenants to and with the mortgagor, his heirs, executors, administrators and assigns, that he is lawfully seized
in fee simple of said premises, that the same are free from all encumbrances except said first mortgage and further except

and that he will warrant and forever defend the same against all persons, further, that he will do and perform all things required of
him and pay all obligations due or to become due under the terms of said first mortgage as well as the note secured hereby, principal
and interest, according to the terms thereof; that while any part of the note secured hereby remains unpaid he will pay all taxes, assess-
ments and other charges of every nature which may be levied or assessed against said property, or this mortgage or the note secured
hereby, when due and payable and before the same become delinquent; that he will promptly pay and satisfy any and all liens or
encumbrances that are or may become liens on the premises or any part thereof superior to the lien of this mortgage; that he will keep
the buildings now on or which hereafter may be erected on the said premises continuously insured against loss or damage by fire

The date of maturity of the debt secured by this mortgage is the date on which the last scheduled principal payment becomes due, to-wit: May 1, 1980.

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, (even if mortgagor is a natural person) are for business or commercial purposes other than agricultural purposes.

This mortgage is inferior, secondary and is subject to a prior mortgage on the above described real estate made by

Lawrence L. Douglas and Janette L. Douglas
State Department of Veterans Affairs

dated 1-16-80

to 19 and recorded in the mortgage records of the above named county in book M80 at page thereof, or as
 file number reel number (indicate which), reference to said mortgage records

hereby being made; the said first mortgage was given to secure a note for the principal sum of \$ 50,000.00 ; the unpaid
 principal balance thereof on the date of the execution of this instrument is \$ 50,000.00 and no more; interest thereon is paid
 to 1-16-80 19 ; said prior mortgage and the obligations secured thereby hereinafter, for brevity, are called
 simply "first mortgage".

The mortgagor covenants to and with the mortgagee, his heirs, executors, administrators and assigns, that he is lawfully seized
 in fee simple of said premises; that the same are free from all encumbrances except said first mortgage and further except

and that he will warrant and forever defend the same against all persons; further, that he will do and perform all things required of
 him and pay all obligations due or to become due under the terms of said first mortgage as well as the note secured hereby, principal
 and interest, according to the terms thereof; that while any part of the note secured hereby 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 secured
 hereby, when due and payable and before the same become delinquent; that he will promptly pay and satisfy any and all liens or
 encumbrances that are or may become liens on the premises or any part thereof superior to the lien of this mortgage; that he will keep
 the buildings now on or which hereafter may be erected on the said premises continuously insured against loss or damage by fire

and each other, as the mortgagee may from time to time require, in an amount not less than \$ in a company
 or companies acceptable to the mortgagee herein, with loss payable, first to the holder of the said first mortgage; second, to the mortgagee herein, and then to the mortgagor as their respective interests may appear; all policies of insurance shall be delivered to
 the mortgagee as soon as issued and a certificate of insurance received by the mortgagee in which said insurance

and such other matters as the mortgagee may from time to time require, in an amount not less than \$100.00, in a company or companies acceptable to the mortgagee herein, with loss payable, first to the holder of the said first mortgage; second, to the extent of any unpaid principal and interest on the said first mortgage, as their respective interests may appear; all policies of insurance shall be delivered to the holder of the said first mortgage, as soon as insured and a certificate of insurance executed by the company in which said insurance is written, showing the amount of said coverage, shall be delivered to the mortgagee named in this instrument. Now if the mortgagee shall fail for any reason to procure any such insurance and to deliver said policies as aforesaid 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 mortgagee's expense, and the mortgagee will keep the buildings and improvements on said premises in good repair and will not commit or suffer any waste of said premises. In the event any personal property is part of the security for this mortgage, then at the request of the mortgagee, the mortgagee shall join with the mortgagee in executing one or more financing statements pursuant to the Uniform Commercial Code, in form satisfactory to the mortgagee, and will pay for filing the same in the proper public office or offices, as well as the cost of all fees and charges made by filing officers or searching agencies as may be deemed desirable by the mortgagee.

Now, therefore, if said mortgagee shall keep and perform the covenants herein contained and shall pay all obligations secured by said first mortgage as well as the note secured hereby 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 payments of the note secured hereby; if 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 mortgagee shall fail to pay any taxes or charges or any lien, encumbrance or insurance premium as above provided for, or fail to do or perform anything required of him by said first mortgage, the mortgagee herein, at his option, shall have the right to make such payments and to do and perform the acts required of the mortgagee under said first mortgage; and any payment so made, together with the cost of such performance shall be added to and become a part of the debt secured by this mortgage, and shall bear interest at the same rate as the note secured hereby 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 mortgagee 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 mortgagee 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, mortgagee further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal, all such 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 mortgagee, 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 mortgagee 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.

IN WITNESS WHEREOF, said mortgagee has hereunto set his hand the day and year first above written.

Lawrence L. Douglas
Janette L. Douglas

IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable. If warranty (a) is applicable and if the mortgagee is a creditor, as such word is 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, use Stevens-Blatt Form No. 1206 or similar.

STATE OF OREGON,

County of Klamath ss.

BE IT REMEMBERED, That on this 16th day of January, 1979, before me, the undersigned, a notary public in and for said county and state, personally appeared the within named Lawrence L. Douglas & Janette L. Douglas known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that executed the same freely and voluntarily.

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

Linda Stella

Notary Public for Oregon.

My Commission expires

My Commission expires July 13, 1981.

SECOND MORTGAGE

FORM NO. 8731

REGISTERED IN CLERK'S OFFICE JULY 13, 1981

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AFTER RECORDING RETURN TO

STATE OF OREGON,

County of Klamath ss.

I certify that the within instrument was received for record on the 16th day of January, 1980, at 3:49 clock P.M., and recorded in book M-80 on page 982 or as filed number 7945A.

Record of Mortgages of said County Witness my hand and seal of County affixed.

Wm. D. Milne-Co. Clerk

Dequellene J. Methe Deputy

Fee \$10.50