

PARCEL 1: Beginning at a point which lies South 0°10' West along the
Section line a distance of 375 feet from the Northwest corner of the SW1/4NW1/4
of Section 21, Township 39 South, Range 9 East of the Willamette Meridian,
and running thence; North 88°50' East 300 feet to a point; thence South
(See attached Exhibit "A" and by this reference incorporated herein as
if fully set forth.)
Together with all and singular the tenements, hereditaments and appurtenances thereunto 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 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.
This mortgage is intended to secure the payment of a promissory note, of which the
following is a substantial copy:
\$359,000.00

Klamath Falls, Oregon October 19, 1979
I (or if more than one maker) we, jointly and severally, promise to pay to the order of Robert F. Secrest and
Lucille M. Secrest, husband and wife, and Thomas S. Curcio and Gertrude A. Curcio, husband and wife,
and upon the death of any of them, then to the order of the survivor of them, at C/O Western Bank 422 South 7th
Three hundred fifty-nine thousand and no/100 Street, Klamath Falls, OR.
with interest thereon at the rate of 9 1/2 percent per annum from October 19, 1979. See reverse side
of this note for computation of interest rate on and after five (5) years.
\$3,346.39 each, payable on the 10th day of each month hereafter beginning
with the month of November, 1979, and continuing until said purchase price
is fully paid. Buyers agree to pay a lump sum payment of \$25,000.00 on or
before March 31, 1980, at which time said payments shall be reduced by \$233.04 per

balloon payments, if any, will not be refinanced; interest to be paid monthly and ~~is included in~~ the payments above re-
quired; said payments shall continue until the whole sum hereof, principal and interest, has been paid; if any of said installments is not
so paid, all principal and interest shall 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 rea-
sonable attorney's fees in the appellate court.
It is the intention of the parties hereto that the said payees 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 in-
terest shall vest absolutely in the survivor of them.
* Strike words not applicable.

Mortgagors herein cannot prepay this note prior to November 10, 1986.
This note secures a Mortgage of even date. By: X William Lewis Clark and Judith Remaly Clark
Mortgagees and Mortgagors agree that the interest rate charged herein on the
balance of this note shall be subject to change once every five (5) years
from October 19, 1979, and it is agreed that the interest rate shall be set
at 2% below the prime interest rate then being charged by the First National
Bank of Oregon. It is further agreed by and between Mortgagees and Mortgagors
that in the event the interest rate charged and payable ever drop below 9 1/2
per annum during any of said five (5) year periods, than Mortgagors agree to
pay the then prime interest rate then being charged by the First National
Bank of Oregon. To illustrate the intent of the parties interpretation of
this clause, if the prime interest rate of the First National Bank of Oregon
is 13% per annum at one of the times specified in the future, the agreed
interest rate charged would be 11% per annum.

/s/ Robert F. Secrest /s/ Lucille M. Secrest
ROBERT F. SECREST and LUCILLE M. SECREST
/s/ Thomas S. Curcio /s/ Gertrude A. Curcio
THOMAS S. CURCIO and GERTRUDE A. CURCIO
The date of maturity of the debt secured by this mortgage is the date on which the last scheduled principal payment be-
comes due, to-wit: November 19, 1999

And said mortgagor covenants to and with the mortgagee, his heirs, executors, administrators and assigns, that he is lawfully
seized in fee simple of said premises and has a valid, unencumbered title thereto
and will warrant and forever defend the same against all persons; that he will pay said note, principal and interest, according to
the terms thereof; that while any part of said note 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 above described, when due and pay-
able and before the same may 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 such other
hazards as the mortgagee may from time to time require, in an amount not less than the original principal sum of the note or
obligation secured by this mortgage, in a company or companies acceptable to the mortgagee, with loss payable first to the mort-
gagee and then to the mortgagor, and the mortgagor shall fail for any reason to procure any such insurance and to deliver said policies
to the mortgagee 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 mortgagor's expense; that he will keep the buildings and improvements on said premises
in good repair and will not commit or suffer any waste of said premises. At the request of the mortgagee, the mortgagor shall
join with the mortgagee in executing one or more financing statements pursuant to the Uniform Commercial Code, in form satis-
factory to the mortgagee, and will pay for filing the same in the proper public office or offices, as well as the cost of all lien
searches made by filing officers or searching agencies as may be deemed desirable by the mortgagee.

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

Now, therefore, if said mortgagor shall keep and perform the covenants herein contained and shall pay said note 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 payment of said note; it 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 mortgagor shall fail to pay any taxes or charges or any lien, encumbrance or insurance premium as above provided for, the mortgagee may at his option do so, and any payment so made shall be added to and become a part of the debt secured by this mortgage, and shall bear interest at the same rate as said note 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 mortgagor 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 mortgagor 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 mortgagor further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal, all 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 mortgagor 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 mortgagor 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 mortgagor has hereunto set his hand the day and year first above written.

WILLIAM LEWIS CLARK AND JUDITH REMALY CLARK FAMILY LIVING TRUST OF 1978.

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, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Ness Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, use Stevens-Ness Form No. 1306, or equivalent.

By: *William Lewis Clark*
By: *Judith Remaly Clark*

MORTGAGE (FORM No. 105A)

TO

STATE OF OREGON,

County of

I certify that the within instrument was received for record on the day of 19, at o'clock M., and recorded in book on page or as file number. Record of Mortgages of said County. Witness my hand and seal of County affixed.

Title.

By Deputy.

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

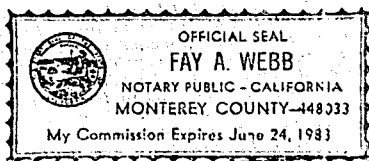
MT

STATE OF ~~OREGON~~ CALIFORNIA

County of Monterey

BE IT REMEMBERED, That on this 17th day of October, 1979, before me, the undersigned, a notary public in and for said county and state, personally appeared the within named Judith Remaly Clark

known to me to be the identical individual S. described in and who executed the within instrument and acknowledged to me that they 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.



Fay A. Webb
Notary Public for ~~Oregon~~ CALIFORNIA
My Commission expires

0°10' West 265.6 feet to a point; thence South 88°50½' West 300 feet to the section line; thence North 0°10' East along said Section line 265.6 feet to the point of beginning.
 PARCEL 2: Beginning at an iron pin which lies South 0°10' West along the Section line a distance of 238 feet and North 88°50½' East parallel to the 40 line a distance of 300 feet from the Northwest corner of the SW¼NW¼ of Section 21 Township 39 South, Range 9 East of the Willamette Meridian, and running thence; continuing North 88°50½' East a distance of 56 feet to a point; thence North 0°10' East a distance of 238 feet to a point on the 40 line; thence North 88°50½' East a distance of 583.8 feet to a point; thence South 89°40' East a distance of 160 feet to a point; thence South 0°10' West a distance of 270 feet to a point in the center line of Morningside Lane; thence South 88°50½' West along the center line of Morningside Lane a distance of 795 feet to a point on the West line of Section 21; thence North 0°10' East along the West line of Section 21 a distance of 217.4 feet to a point; thence North 88°50½' East a distance of 300 feet to a point; thence North 0°10' East a distance of 402.6 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM that portion lying within Midland Road and Joe Wright Road.

TOGETHER WITH the personal property set forth below:

- | | |
|---------------------------------------|----------------------------------------------------------|
| 1 2 bedroom home | 1 power lawn mower |
| 1 shop building 2720 | 1 reel mower |
| 1 garage 1300 | 2 550 gallon gas tanks and stands |
| 3 wells | 1 288 gallon propane refill tank |
| 1 laundry room (2) washers (2) dryers | 1 thread-a-matic |
| 2 M. H. Rentals | 1 Burton power snake |
| 1 Ford tractor M 850 bucket and blade | 1 spray rig |
| 1 Ford P.U. 1967 | 66 M. H. Spaces |
| 1 riding lawn mower | Miscellaneous garden tools, plumbing fillings and elect. |

Subject, however, to the following:

1. Taxes for the fiscal year 1979-1980, a lien, not yet due and payable.
2. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
3. The premises herein described are within and subject to the statutory powers, including the power of assessment, of Klamath Irrigation District, and Klamath Project.
4. The premises herein described are within and subject to the statutory powers, including the power of assessment, of Klamath Basin Improvement District.
5. Grant of Right of Way, including the terms and provisions thereof, given by Lloyd G. Wayne and Sandra L. Wayne, husband and wife, and Alvin G. Hudson and Maude P. Hudson, husband and wife, as their interests may appear, to Pacific Power & Light Company, a Maine Corporation, dated April 6, 1964, recorded April 7, 1964, in Deed Volume 352, page 182, Records of Klamath County, Oregon.
6. Subject to the requirements and provisions of ORS Chapter 481 pertaining to the registration and transfer of ownership of a Mobile Home and any interest or liens disclosed thereby.
7. Subject to rights of the public in and to that portion of the premises herein described lying within the limits of Morningside Lane.

It is hereby agreed by and between the parties hereto that Mortgagors herein cannot pay more than 29% in principal in any one tax year for a period of seven (7) years from the date of the Mortgage.

It is specifically understood and agreed that this Mortgage is personal between the parties hereto, and that Mortgagees desire to accept Mortgagors personal responsibility and control of the real property which was a material inducement to Sellers in the execution of this Mortgage. If this Mortgage or the property being sold hereunder is sold, assigned or transferred by Mortgagors, voluntarily or involuntarily, without obtaining Mortgagees' prior written consent, such assignment, sale, or other transfer shall be deemed to increase the risk of Mortgagees and the Mortgagees may, at their option, declare the entire unpaid balance immediately due and payable or, at Mortgagees' sole option, may consent to such sale, assignment, or other transfer of this Mortgage.

70415

OSPA

6427 24688

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Mountain Title Co.

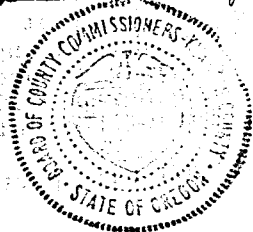
this 19th day of October A. D. 1979 at 4:00 clock P. M., on

July recorded in Vol. M79, of Mortgages on Page 24685

Wm D. MILNE, County Clerk

By Bernetha J. Helock

Fee \$14.00



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STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Mountain Title Co.

this 7th day of April A. D. 1980 at 10:37 clock A. M., on

July recorded in Vol. M80, of Mortgages on Page 6424

Wm D. MILNE, County Clerk

By Bernetha J. Helock

Fee \$14.00