

SECOND MORTGAGE

THIS MORTGAGE, Made this 10 day of ^{MARCH} ~~February~~, 1981, by CLAIR M. CRAPSER and SANDRA D. CRAPSER, husband and wife, hereinafter referred to as Mortgagors, to REGINA SANDERS, hereinafter referred to as Mortgagee,

W I T N E S S E T H:

That said Mortgagors, in consideration of \$10,000.00, to them paid by said Mortgagee, do hereby grant, bargain, sell and convey unto said Mortgagee, her heirs, executors, administrators and assigns, that certain real property situated in the County of Klamath, State of Oregon, bounded and described as follows, to-wit:

Lot 9, Block 14, Tract No. 1071, ADDITION TO THE MEADOWS, County of Klamath, State of Oregon.

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 Second Mortgage or at any time during the term of this Second Mortgage.

To have and to hold the said premises with the appurtenances unto the said Mortgagee, her heirs, executors, administrators and assigns forever.

This Second Mortgage is intended to secure the payment of a installment note, of which the following is a substantial copy:

SEE ATTACHED EXHIBIT "A"

The date of maturity of the debt secured by this Second Mortgage is the date on which the last scheduled principal payment becomes due, to-wit: APRIL 10, 1984.

The Mortgagors warrant that the proceeds of the loan represented by the above-described note and this Second Mortgage are primarily for Mortgagors' personal, family, household or agricultural purposes.

This Second Mortgage is inferior, secondary and made subject to a prior mortgage on the above-described real estate made by Clair M. Crapser and Sandra D. Crapser to Department of Veterans' Affairs, dated May 23, 1979, and recorded in the Mortgage Records of the above-named county in Book M79, at Page 11787 thereof, reference to said Mortgage Records hereby being made; the

said first mortgage was given to secure a note for the principal sum of \$42,500.00; the unpaid principal balance thereof on the date of the execution of this instrument is \$42,868.52 and no more; interest thereon is paid to APRIL 1, 1981; said prior mortgage and the obligations secured thereby hereinafter, for brevity, are called simply "first mortgage".

The Mortgagors covenant to and with the Mortgagee, her heirs, executors, administrators and assigns, that they are lawfully seized in fee simple of said premises; that the same are free from all encumbrances except said first mortgage, and that they will warrant and forever defend the same against all persons; further, that they will do and perform all things required of them 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 they will pay all taxes, assessments and other charges of every nature which may be levied or assessed against said property, or this Second Mortgage or the note secured hereby, when due and payable and before the same become delinquent; that they 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 Second Mortgage; that they 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 insurable value 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 named herein and then to the Mortgagors, 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 Mortgagors shall fail for any reason to procure any such insurance and to deliver said policies as aforesaid at least fifteen (15) days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the Mortgagee may procure the same at Mortgagors expense; that the Mortgagors 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 Second Mortgage, then at the request of the Mortgagee, the Mortgagors 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 lien searches made by filing officers or searching agencies as may be deemed desirable by the Mortgagee.

Now, therefore, if said Mortgagors 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; 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 Second Mortgage at once due and payable, and this Second Mortgage may be foreclosed at any time thereafter.

And if the Mortgagors 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 them by said first mortgage, the Mortgagee herein, at her option, shall have the right to make such payments and to do and perform the acts required of the Mortgagors 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 Second 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 Second Mortgage may be foreclosed for principal, interest and all sums paid by the Mortgagee at any time while the Mortgagors neglect to repay any sums so paid by the Mortgagee. In the event of any suit or action being instituted to foreclose this Second Mortgage, the Mortgagors agree 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 Plaintiffs attorney's fees in such suit or action, and if an appeal is taken from any judgment or decree entered therein, Mortgagors further promises to pay such sum as the appellate court shall adjudge reasonable as Plaintiffs attorney's fees on such appeal, all such sums to be secured by the lien of this Second 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 Mortgagors and of said Mortgagee respectively.

In case suit or action is commenced to foreclose this Second 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 Second Mortgage.

IN WITNESS WHEREOF, said Mortgagors have hereunto set their hands the day, month and year first above written.

Clair M. Crapser
Sandra D. Crapser

STATE OF OREGON)
)ss.
 County of Klamath)

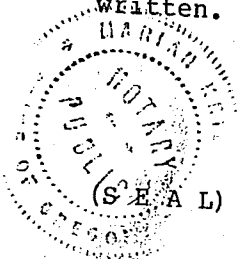
BE IT REMEMBERED, That on this 10 day of March ^{mk} 1981, before me, the undersigned, a notary public in and for said county and state, personally appeared the within named CLAIR M. CRAPSER and SANDRA D. CRAPSER, husband and wife, known to me to be the identical individuals described in and who executed 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

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5849

affixed my official seal the day, month and year last above written.



Marian Krueger
Notary Public for Oregon
My Commission Expires: 4-18-82

AFTER RECORDING RETURN TO:

REGINA SANDERS
1205 VALDEZ DRIVE
PUEBLO, COLORADO 81006

Unofficial Copy

EXHIBIT "A"

5850

INSTALLMENT NOTE

\$10,000.00

Klamath Falls, Oregon

MARCH 10, 1981

We promise to pay to the order of Regina Sanders, at 1205 Valdez Drive, Pueblo, Colorado 81006, Ten thousand and no/100----- DOLLARS, with interest thereon at the rate of 12% per annum from MARCH 1, 1981, until paid, principal and interest in monthly installments of not less than \$332.15 in any one payment; each payment as made shall be applied first to accumulated interest and the balance to principal; the first payment to be made on the 10 day of APRIL, 1981, and a like payment on the 10 day of each month thereafter until APRIL 10, 1984, when the whole unpaid balance hereof, if any, shall become due and payable; if any of said installments is not so paid, the whole sum of both 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 the reasonable attorneys fees and collection costs of the holder hereof, and if suit or action is filed hereon, also promise to pay (1) holders reasonable attorneys 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 holders reasonable attorneys fees in the appellate court.

/s/ Clair M. Crapser
Clair M. Crapser

/s/ Sandra D. Crapser
Sandra D. Crapser

STATE OF OREGON; COUNTY OF KLAMATH: ss.

I hereby certify that the within instrument was received and filed for record on the 1st day of April A.D., 19 81 at 2:05 o'clock P.M., and duly recorded in Vol M 81 of Mortgages on page 5846.

Fee \$ 17.50

EVELYN BIEHN
COUNTY CLERK

By Nazaf Dajani Deputy

EXHIBIT "A"