

3891

FORM No. 755A—MORTGAGE

STEVENS-NEEDHAM, CO. PORTLAND, ORE.

15585

Vol 11 Page

THIS MORTGAGE, Made this 1st day of September, 19 81

by Jerome P. Tessier and Ann G. Tessier, husband & wife hereinafter called Mortgagor,
 to William J. Faught and Betty R. Faught, husband & Wife hereinafter called Mortgagee,
 WITNESSETH, That said mortgagor, in consideration of

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 prop-
 erty situated in Klamath County, State of Oregon, bounded and described as follows, to-wit:

Lot 11, Tract 1173, being a subdivision of Lot 1, Block 10, Lynnewood,
 according to the official plat thereof on file in the office of the County
 Clerk of Klamath County, Oregon.

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE SIDE)

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 certain promissory note, described as follows: The Sum of: 50,654.16
 Payable in monthly installments of not less than \$526.61, including 12% int-
 erest from September 1, 1981; First payment to begin October 1, 1981 and a
 further payment due on the 1st of each month thereafter until September 1,
 1988 when the entire balance is due and payable Or at such time as the prop-
 erty herein described is sold, transferred or assigned the balance shall be-
 come immediately due and payable, whichever first accrues.

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 any other purpose, the mortgagor shall deliver to the mortgagee a written statement of the purpose of the loan, and the mortgagee shall

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, except Mortgage in favor of State of Oregon,
 Department of Veterans Affairs, recorded on October 15, 1980 in Vol M80 page

20145, Klamath County, Records.
 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 payable 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 may be hereafter erected on the premises insured in favor of the mortgagee against loss or damage by fire, with extended coverage,
 in the sum of \$ full insurable value

in a company or companies acceptable to the mortgagee, and will
 have all policies of insurance on said property made payable to the mortgagee as his interest may appear and will deliver all policies of insurance on said
 premises to the mortgagee as soon as insured; that he will keep the building and improvements on said premises in good repair and will not commit or suffer
 any waste of said premises. 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 pay-
 ment of said note; if being agreed that a failure to perform any covenant herein, or if proceedings of any kind be taken to foreclose on any lien on said prem-
 ises or any part thereof, the mortgagee shall have the option to declare the whole amount unpaid on said note and 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 of any lien, encumbrances or insur-
 ance 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 losing party in such suit or action agrees to pay all reasonable costs
 incurred by the prevailing party therein for title reports and title search, all statutory costs and disbursements and such further sum as the trial court may
 adjudge reasonable as the prevailing party's attorney's fees in such suit or action, and if an appeal is taken from any judgment or decree entered therein the
 losing party further promises to pay such sum as the appellate court shall adjudge reasonable as the prevailing party's attorney's fees on such appeal, all such
 sums to be included in the court's decree. Each and all of the covenants and agreements herein contained shall apply to and bind the heirs, executors, adminis-
 trators 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,
 first deducting all proper charges and expenses attending the execution of said trust, as the court may direct in its judgment or decree.

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 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.

*IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or
 (b) is not applicable; if warranty (a) is applicable, the mortgagee MUST
 comply with the Truth-in-Lending Act and Regulation Z by making re-
 quired disclosures; for this purpose, if this instrument is to be a FIRST
 lien to finance the purchase of a dwelling, use S-N Form No. 1305 or
 equivalent; if this instrument is NOT to be a first lien, use S-N Form
 No. 1306, or equivalent.

STATE OF OREGON, County of Pierce, ss. Jerome P. Tessier and Ann G. Tessier

Personally appeared the above named and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me: Quam M. Schmidt, Notary Public for Washington

My commission expires: Feb. 1, 1984

MORTGAGE

TO

(DON'T USE THIS
 SPACE; RESERVED
 FOR RECORDING
 LABEL IN COUN-
 TIES WHERE
 USED.)

AFTER RECORDING RETURN TO

KCTCO

3721

Fee: \$4.00

STATE OF OREGON

County of Klamath

I certify that the within instru-
 ment was received for record on the
 2nd day of September, 1981
 at 9:44 o'clock A. M., and recorded
 in book M-81 on page 15585
 or as file number 3891
 Record of Mortgages of said County.

Witness my hand and seal of

County affixed

Evelyn Biehn

County clerk

By Ann G. Tessier Deputy

755A