

TC 5433

THIS INDENTURE WITNESSETH: That Norm J. Sevey and Lila M. Sevey
 husband and wife
 of the County of Klamath, State of Oregon, for and in consideration of the sum of
 One hundred seventy nine thousand & no/100ths Dollars (\$179,000.00) to
 in hand paid, the receipt whereof is hereby acknowledged, have granted, bargained, sold and conveyed, and
 by these presents do grant bargain, sell and convey unto Raymond E. Dillon and Barbara J.
 Dillon, husband and wife

of the County of Klamath, State of Oregon, the following described premises situated in Klamath County, State of Oregon, to-wit:

E~~NE~~NE~~1~~ of Section 6, Township 40 South, Range 9
 East of the Willamette Meridian

Except recorded easements and rights away of record and those
 apparent upon the land

Together with the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining.
 To have and to hold the same with the appurtenances, unto the said
 Norm J. Sevey and Lila M. Sevey, husband and wife

heirs and assigns forever.

THIS CONVEYANCE is intended as a Mortgage to secure the payment of the sum of
 One hundred sixty thousand and no/100ths Dollars
 (\$ 160,000.00) in accordance with the terms of their certain promissory note of which the
 following is a substantial copy:

\$ 160,000.00 Klamath Falls, Oregon, August 27, 1981
 I (or if more than one maker) we, jointly and severally, promise to pay to the order of
 Raymond E. Dilland and Barbara J. Dillon, husband and wife
 at Klamath Falls, Oregon, DOLLARS.
 One hundred sixty thousand and no/100ths
 with interest thereon at the rate of 10% percent per annum from July 15, 1981 until paid, payable in
 monthly installments of not less than \$ 1,500.00 in any one payment; interest shall be paid monthly and
 the minimum payments above required; the first payment to be made on the 15th day of September
 1981, and a like payment on the 15th day of each month thereafter, until the whole sum, principal and
 interest has been 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 holder's
 reasonable attorney's fees and collection costs, even though no suit or action is filed hereon; however, if a suit or an action is filed, the
 amount of such reasonable attorney's fees shall be fixed by the court, or courts in which the suit or action, including any appeal therein,
 is tried, heard or decided.
 * Strike words not applicable.
 Minimum payments on principal,
 \$10,000.00 per year, each year,
 due by September 15th of each
 year
 Norm J. Sevey
 Lila M. Sevey

FORM No. 217 - INSTALLMENT NOTE.

The date of maturity of the debt secured by this mortgage is the date on which the last scheduled prin
 cipal payment becomes due, to-wit: July 15, ** 2001.

SN Stevens-Ness Law Publishing Co., Portland, Ore

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),

~~or for the purchase of real property or for the improvement of real property.~~

Now, if the sum of money due upon said instrument shall be paid according to the agreement therein expressed, this conveyance shall be void; but in case default shall be made in payment of the principal or interest or any part thereof as above provided, then the said

Raymond E. Dillon and Barbara J. Dillon, husband and wife,
and their legal representatives, or assigns may foreclose the Mortgage and sell the premises above described with all and every of the appurtenances or any part thereof, in the manner prescribed by law, and out of the money arising from such sale, retain the said principal, interest and attorney's fees as provided in said note, together with the costs and charges of making such sale and the surplus, if there be any, pay over to the said Raymond E. Dillon and Barbara J. Dillon, husband and wife, heirs or assigns.

No more than 29% of the total purchase price may be paid during the first year and after the first year the principal and interest may be paid in full at any time without any penalty. Upon the sale of the property located at 5619 Leland Drive, Klamath Falls, Oregon 97601, a payment of at least \$20,000.00 shall be made and applied toward the mortgage.

Witness our hand this 27th day of August, 1981

*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.

Norm J. Sevey
Lila M. Sevey

STATE OF OREGON,

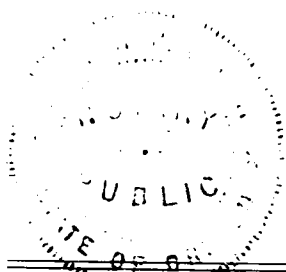
County of Klamath

SS.

BE IT REMEMBERED, That on this 27 day of August, 1981, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Norm J. Sevey and Lila M. Sevey 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.

[Signature]
Notary Public for Oregon.
My Commission expires 11-6-83



MORTGAGE

(FORM No. 7)

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

Raymond E. Dillon and
Barbara J. Dillon

TO

Norm J. Sevey and
Lila M. Sevey

AFTER RECORDING RETURN TO

Steven P. Couch
220 Main Street, Suite 1-D
Klamath Falls, OR 97601

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON

County of Klamath

SS.

I certify that the within instrument was received for record on the 15th day of October, 1981, at 11:44 o'clock A.M., and recorded in book M81 on page 18092 or as file/reel number 5433. Record of Mortgages of said County. Witness my hand and seal of County affixed.

Evelyn Biehn County Clerk

[Signature] Deputy.

Fee \$8.00