

35700

K-37000 Vol. 184

8136

SECOND MORTGAGE

This mortgage made May 8, 1984, by OTIS WAYNE CARNAGEY, of Rt. 2, Box 44, Colfax, Washington 99111, to GLEN MILLER and BEULAH MILLER, husband and wife, mortgagees, of Rt. 2, Box 44, Colfax, Washington 99111. Witnesseth, that mortgagor, in consideration of Five Thousand Dollars (\$5,000.00) paid to him by mortgagees, hereby grants, bargains, sells and conveys to mortgagees, their heirs, executors, administrators, and assigns, that certain real property situated in the County of Klamath, State of Oregon, bounded and described as follows:

A tract of land situate in the $N\frac{1}{2}N\frac{1}{2}NE\frac{1}{4}$ of Section 36, Township 24 S.R.8 E.W.M., more particularly described as follows: BEGINNING at a point on the north line of said Section 36 which is west a distance of 210.0 feet from the northeast corner thereof, said point being the northwest corner of parcel conveyed to Alvie E. Bishop, et ux by Deed recorded in Volume 350 page 346, records of Klamath County, Oregon; thence continuing west along the north line of Section 36 a distance of 1587.5 feet, more or less, to the northeast corner of tract conveyed to Douglas E. Stumbaugh, et ux by Deed recorded in Volume M-80 page 23349, records of Klamath County, Oregon; thence south, along the east line of last mentioned tract, a distance of 662.17 feet to the south line of the $N\frac{1}{2}N\frac{1}{2}N\frac{1}{2}$ of said Section 36; thence east along said south line to its intersection with the westerly line of tract conveyed to Darlene Tierce and Deanna K. Bidwell by deed recorded in Vol. M-83, page 16580, records of Klamath County, Oregon; thence N. $39^{\circ}37'$ E. along the westerly line of last mentioned tract a distance of 858.25 feet, more or less, to the point of beginning.

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 on the 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 premises with the appurtenances to mortgagees, their 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:

PROMISSORY NOTE

\$5,000.00

Pullman, Washington
May 8, 1984

ON DEMAND, for value received, I promise to pay to GLEN MILLER and BEULAH MILLER, husband and wife, the sum of Five Thousand and no/100 Dollars, with interest thereon at the rate of 13% per annum from date hereof, payable on demand. If interest is not so paid, all principal and interest shall immediately become due at the option of the holder hereof. The unpaid balance hereunder shall bear interest at the rate of 13% per annum after maturity or after default in the payment of interest.

All or any portion of the unpaid balance may be prepaid at any time without penalty unless otherwise provided below.

Every party signing or endorsing this note waives presentment, demand, protest and notice of non-payment thereof, binds himself jointly and severally as a principal, not as a surety, and promises, if suit is instituted to collect any of the principal or interest due hereunder, to pay a reasonable attorney's fee.

This note is made under and is to be construed by the laws of the State of Oregon.

This note is secured by a Second Mortgage on real property.

Otis Wayne Carnagey

And mortgagor covenants to and with mortgagees, their heirs, executors, administrators, and assigns that he is lawfully seized in one-half of fee simple of the premises, and has a valid unencumbered title thereto (except for Trust Deed in favor of James D. Morris and Margaret L. Morris, recorded April 2, 1984, in Volume M-84 on page 5270, Mortgage Records of Klamath County, Oregon, to secure the payment of \$12,000.00), and will warrant and forever defend the same against all persons; that he will pay the note, principal and interest according to the terms thereof; that while any part of the note remains unpaid he will pay all taxes, assessments, and other charges of every nature that may be levied or assessed against the 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 all liens and 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 premises continuously insured against loss or damage by fire and such other hazards as mortgagees 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 mortgagees, with loss payable first to mortgagees and then to mortgagor as their respective interests may appear; all policies of insurance shall be delivered to mortgagees as soon as insured.

Now, if mortgagor shall fail for any reason to procure any such insurance and to deliver the policies to mortgagees at least 30 days prior to the expiration of any policy of insurance now or hereafter placed on the buildings, mortgagees may procure the same at mortgagor's expense.

Now, therefor, if mortgagor keeps and performs the covenants herein contained and pays the note according to its terms, this conveyance shall be void; otherwise it shall remain in full force as a mortgage to secure the performance of all of the covenants and the payment of the note; if mortgagor fails to perform any covenant herein, or if a proceeding of any kind is taken to foreclose any lien on the premises or any part thereof, mortgagees shall have the option to declare the whole amount unpaid on the note or on this mortgage at once due and payable, and this mortgage may be foreclosed at any time thereafter. If mortgagor fails to pay any taxes or charges or any lien, encumbrance, or insurance premium as above provided for, mortgagees may at their option do


so, 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 the note without waiver, however, of any right arising to mortgagees for breach of covenant. And this mortgage may be foreclosed for principal, interest, and all sums paid by mortgagees at any time while mortgagor neglects to repay any sums so paid by mortgagees. In the event of any suit or action being instituted to foreclose this mortgage, mortgagor agrees to pay all reasonable costs incurred by mortgagees 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.

All of the covenants and agreements herein contained shall apply to and bind the heirs, executors, administrators, and assigns of mortgagor and/or mortgagees, respectively.

In case suit or action is commenced to foreclose this mortgage, the court may, on motion of mortgagees, appoint a receiver to collect the rents and profits arising out of the premises during the pendency of such foreclosure, and apply the same, after first deducting all of the receiver's proper charges and expenses, to the payment of the amount due under this mortgage.

In construing this mortgage, it is understood that mortgagor or mortgagees 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, mortgagor has hereunto set his hand the day and year first above written.


 Otis Wayne Carnagey

STATE OF WASHINGTON)
County of Whitman) ss.

On this day personally appeared before me OTIS WAYNE CARNAGEY, to me known to be the individual described in and who executed the within and foregoing instrument and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 8th day of May, 1984.

Thelma A. O'Connell
Notary Public in and for the State
of Washington, residing at Pullman.

STATE OF OREGON: COUNTY OF KLAMATH:ss

I hereby certify that the within instrument was received and filed for record on the 17th day of May A.D., 1984 at 1:30 o'clock P M, and duly recorded in Vol. M84, of Mortgages on page 8186.

EVELYN BIEHN, COUNTY CLERK

by: John A. F.H., Deputy

Fee: \$12.00

Return: Aitken, Archibald, Patrick & McGill
20 Old National Bank Building
Pullman, Wash.