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Vol. 184 Page 19659

THIS MORTGAGE, Made this 20th day of November, 1984,  
by LAWRENCE S. HOWARD Mortgagor,  
to ELMO Z. HOWARD AND HELEN G. HOWARD Mortgagee,

WITNESSETH, That said mortgagor, in consideration of Sixteen thousand four hundred eighty eight and 27/100 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 property situated in Klamath County, State of Oregon, bounded and described as follows, to-wit:

PER EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN

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 promissory note, of which the following is a substantial copy:  
\$16,488.27 Klamath Falls, Oregon, November 20, 1984.

ON DEMAND, I, jointly and severally, promise to pay to the order of ELMO Z. HOWARD and HELEN G. HOWARD, or the survivor thereof, at Klamath Falls, Oregon, SIXTEEN THOUSAND FOUR HUNDRED EIGHTY EIGHT AND 27/100 DOLLARS, with interest thereon at the rate of 12½ percent per annum from November 16, 1984 until paid; interest to be paid on demand. All or any portion of the principal hereof may be paid at any time. If this note is placed in the hands of an attorney for collection, I promise and agree to pay the holder's reasonable attorneys 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.

/s/ LAWRENCE S. HOWARD  
LAWRENCE S. HOWARD

The date of maturity of the debt secured by this mortgage is the date on which the last scheduled principal payment becomes due, to-wit: as per terms of note, 19.

The mortgagor warrants that the proceeds of the loan represented by the above described note and this mortgage are:

- (a)\* primarily for mortgagee's personal, family, household or agricultural purposes (see Important Notice below),  
(b) for an organization, (even if mortgagor is a natural person) are for business or commercial purposes other than agricultural purposes.

This mortgage is inferior, secondary and made subject to a prior mortgage on the above described real estate made by

LAWRENCE S. HOWARD

to WESTERN BANK, an Oregon Banking Corporation dated April 11, 1983, and recorded in the mortgage records of the above named county in book M-83, at page 5439 thereof, or as file number -----, reel number ----- (indicate which), reference to said mortgage records hereby being made; the said first mortgage was given to secure a note for the principal sum of \$ 55,000.00; the unpaid principal balance thereof on the date of the execution of this instrument is \$ 52,039.18 and no more; interest thereon is paid to October 16, 1984; said prior mortgage and the obligations secured thereby hereinafter, for brevity, are called simply "first mortgage".

The mortgagor covenants to and with the mortgagee, his heirs, executors, administrators and assigns, that he is lawfully seized in fee simple of said premises; that the same are free from all encumbrances except said first mortgage and further except as above stated, & liens, assessments, rules & regulations for irrigation, drainage & sewage, & reservations, restrictions, easements & rights of way or record & those apparent on the land, and that he will warrant and forever defend the same against all persons; further, that he will do and perform all things required of him 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 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 secured hereby, when due and payable and before the same 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

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full insurable

and such other hazards as the mortgagee may from time to time require, in an amount not less than \$10,000, 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 mortgagor 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 mortgagor shall fail for any reason to procure any such insurance and to deliver said policies as aforesaid 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 the mortgagor 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 mortgage, then 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 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 mortgagor 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 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, or fail to do or perform anything required of him by said first mortgage, the mortgagee herein, at his option, shall have the right to make such payments and to do and perform the acts required of and the mortgagor 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 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 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 such 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.

"This instrument does not guarantee that any particular use may be made of the property described in this instrument. A Buyer should check with the appropriate city or county planning department to verify approved uses."

IN WITNESS WHEREOF, said mortgagor has hereunto set his hand the day and year first above written.

*Lawrence S. Howard*  
LAWRENCE S. HOWARD

\*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, use Stevens-Ness Form No. 1306 or similar.

STATE OF OREGON,

County of Klamath

ss.

BE IT REMEMBERED, That on this 20<sup>th</sup> day of November, 1984, before me, the undersigned, a notary public in and for said county and state, personally appeared the within named LAWRENCE S. HOWARD

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

*Edna Dale Jick*  
Notary Public for Oregon.  
My Commission expires 5-17-85

## SECOND MORTGAGE

(FORM No. 925)

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

LAWRENCE S. HOWARD

ELMO Z. HOWARD & HELEN G. HOWARD

AFTER RECORDING RETURN TO:  
D. L. HOOTS  
2261 S. 6th Street, #2  
Klamath Falls, OR 97601

SPACE RESERVED

RECORDED'S USE

STATE OF OREGON,

County of

I certify that the within instrument was received for record on the day of 1984, at o'clock M., and recorded in book on page or as file/reel number of Mortgages of said County. Witness my hand and seal of County affixed.

By Deputy

## DESCRIPTION

## PARCEL 1:

The following described real property in Klamath County, Oregon:

Beginning at the intersection of the Westerly line of Brighton Avenue and the Northerly line of River Street in the Town of Doten, reference being made to the duly recorded plat thereof, and running; thence

North 33° East along the Westerly line of said Brighton Avenue 103.56 feet more or less to a point which is 105 feet distant, when measured along said Brighton Avenue, from the intersection of the Southerly line of Klamath River, said point being also a corner of that certain tract of land conveyed by T. J. Prather, a widower, to George W. Ager by deed dated August 31, 1946, and recorded November 1, 1946, in Volume 198, page 21 of Deed Records of Klamath County, Oregon; thence

running Westerly at right angles to Brighton Avenue and parallel to River Street 52.5 feet to a point; thence

running South 33° West 103.56 feet more or less to the Northerly line of said River Street; thence

running in an Easterly direction along the Northerly line of said River Street to the place of beginning being a portion of Lot 1 of Section 31, Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

## PARCEL 2:

The following described real property in Klamath County, Oregon:

A parcel of land in Section 31, Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

Note: This parcel is Northeast of the original plat of the Town of Doten, Volume 1, page 19, Town of Plats recorded May 26, 1887 in County Clerk's Office-County Surveyors Certificate-by Frank Howard, October 13, 1949.

Beginning at intersection of the Westerly line of Brighton Avenue (also Highway #66) and the Northerly line of River Street; thence North 74° 00' West 52.50 feet to 5/8" iron rebar on the Northeasterly right of way of River Street; thence North 33° East 103.56 feet to true point of beginning; thence North 33° 00' East 36.44 feet to 5/8" iron rebar, also parallel to Brighton Avenue, known as State Highway #66; thence South 57° 00' East 52.50 feet to 5/8" iron rebar; also the Northwest right of way of Brighton Avenue; thence South 33° 00' West 36.44 feet to a point along the Northwesterly right of way of Brighton Avenue; thence North 57° 00' West 52.50 feet to point of beginning.

## PARCEL 3:

A tract of land situated in the SW $\frac{1}{4}$  SW $\frac{1}{4}$  of Section 1, Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at the intersection of the Northeasterly right of way line of River Street and the Northwesterly right of way line of Brighton Street also known as State Highway No. 66, thence North 33° 00' East 140 feet to the true point of beginning; thence North 57° 00' West 52.50 feet, thence North 33° 00' East 85 feet, more or less, to the Westerly Bank of Klamath River; thence South 57° 00' East along said Westerly bank to the Northwesterly right of way line of Brighton Street; thence South 33° 00' West along said right of way 85 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM any portion lying within the boundaries of State Highway No. 66.

STATE OF OREGON: COUNTY OF KLAMATH:ss

I hereby certify that the within instrument was received and filed for record on the 20th day of November A.D., 1984 at 4:10 o'clock P M, and duly recorded in Vol M84, of Mortgages on page 19659.

EVELYN BIEHN, COUNTY CLERK

by: *[Signature]*, Deputy

Fee: \$ 12.00 Index: \$1.00