

54793

ASPEN M-29197

Vol. 1785 Page 17424

THIS MORTGAGE, Made this 11th day of September, 1985, by

KENNETH CLIFTON KNOWLES and JOAN KATHLEEN KNOWLES, husband and wife

Mortgagor, to LEWIS L. HAGELSTEIN and NONA B. HAGELSTEIN, husband and wife

Mortgagee,

WITNESSETH, That said mortgagor, in consideration of SIXTY THOUSAND AND NO/100—

(\$60,000.00)—

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:

See attached Legal Description marked
EXHIBIT "A"

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 promissory note, of which the following is a substantial copy:

\$ 60,000.00

Klamath Falls, Oregon

September 11, 1985

I (or if more than one maker) we, jointly and severally, promise to pay to the order of LEWIS L. HAGELSTEIN and NONA B. HAGELSTEIN, husband and wife, with full rights of survivorship

SIXTY THOUSAND AND NO/100— at Klamath Falls, OR or as designated

with interest thereon at the rate of 10% per cent. per annum from October 25, 1985 DOLLARS, principal and interest payable in monthly installments of not less than \$ 644.77 until paid, shall be applied first to accumulated interest and the balance to principal; the first payment to be made on the 25th day of November, 1985, and a like payment on the 25th day of each month thereafter until October 20, 1990, 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, I/we promise and agree to pay the reasonable attorney's fees and collection costs of the holder hereof, and if suit or action is filed hereon, also promise to pay (1) holder's reasonable attorney's 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 holder's reasonable attorney's fees in the appellate court.

/s/ Clifton Knowles

/s/ Joan Kathleen Knowles

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: October 25, 1990.

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

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 hazards as the mortgagee may from time to time require, in an amount not less than the original principal sum of the note or gagee and then to the mortgagee as their respective interests may appear; all policies of insurance shall be delivered to the mortgagee as soon as insured. Now if the mortgagor shall fail for any reason to procure any such insurance and to deliver said policies to the mortgagee 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 he will keep the buildings and improvements on said premises in good repair and will not commit or suffer any waste of said premises. 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.

1985 OCT 25 PM 3 21

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 an organization or (even if mortgagor is a natural person) are for business or commercial purposes other than agricultural purposes.

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 payment of said note; 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, 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 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 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.

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

Kenneth Clifton Knowles
 Kenneth Clifton Knowles

Joan Kathleen Knowles
 Joan Kathleen Knowles

*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.

(Individual)

STATE OF CALIFORNIA

COUNTY OF Los Angeles

SS.

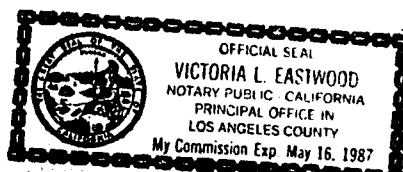
On October 22, 1985

State, personally appeared Kenneth Clifton Knowles and Joan Kathleen Knowles, before me, the undersigned, a Notary Public in and for said

personally known to me
 (or proved to me on the basis of satisfactory evidence), to be the person S whose name S are are subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.

Signature *Victoria L. Eastwood*



LE-76 (7/82)

(This area for official notarial seal)

MORTGAGE

(FORM No. 105A)

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

Kenneth Clifton Knowles
Joan Kathleen Knowles

TO:

Lewis L. Hagelstein
Nona B. Hagelstein

AFTER RECORDING RETURN TO
 Aspen Title & Escrow, Inc.
 600 Main Street
 Klamath Falls, Oregon 97601

SPACE RESERVED
 FOR
 RECORDER'S USE

STATE OF OREGON,
 County of _____ } SS.

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ or as document/tee/file/instrument/microfilm No. _____ Record of Mortgages of said County.

Witness my hand and seal of County affixed.

NAME _____ TITLE _____
 By _____ Deputy

EXHIBIT "A"

17426

A parcel of land situated in the N $\frac{1}{2}$ of Section 20, Township 37 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, being further described as follows:

Beginning at the W $\frac{1}{4}$ corner of said Section 20; thence South 87° 42' 43" East along the East-West centerline of Section 20 a distance of 1121.67 feet to an iron pin found which marks the Northeasterly corner of 93.53 acre parcel and the true point of beginning; thence along the centerline of a 60 foot wide easement North 15° 30' 40" West a distance of 67.32 feet to an iron pin; thence North 26° 27' 44" West a distance of 160.39 feet to an iron pin; thence North 15° 54' 19" West a distance of 181.11 feet to an iron pin; thence North 19° 33' 36" West a distance of 225.32 feet to an iron pin; thence North 21° 28' 13" West a distance of 344.16 feet to an iron pin; thence North 28° 27' 04" West a distance of 602.44 feet to an iron pin; thence North 38° 09' 04" West a distance of 383.61 feet to an iron pin; thence North 37° 39' 39" West a distance of 282.43 feet to an iron pin; thence North 17° 42' 31" West a distance of 164.34 feet to an iron pin; thence, leaving said easement centerline North 46° 00' 54" East to a point on the centerline of the existing Old Fort Road, (60 feet wide); thence Easterly along said centerline to the point of intersection of the North line of said Section 20; thence, South 86° 42' 18" East along said North line of Section 20 to the point of intersection of the centerline of said Old Fort Road; thence, Southeasterly along the said centerline of Old Fort Road to the point of intersection of the East-West centerline of said Section 20; thence North 87° 42' 43" West along said East-West centerline of said Section 20 to an iron pin and the true point of beginning.

ALSO SECURING A 1/4 interest in and to a well located 820 feet North and 220 feet West from SE corner of Section 29, Township 29, Township 37 South, Range 9 East of the Willamette Meridian.

Purchaser agrees to pay his pro-rata share of costs of the irrigation system of which he has an undivided 1/4 interest, as long as he will pay Lewis L. Hagelstein or his designees his pro-rata share of the maintenance and operation costs of said pump, pipe, ditches and reservoirs.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the 25th day
of October A.D., 19 85 at 3:21 o'clock P. M., and duly recorded in Vol. M85
of Mortgages on Page 17424

FEE \$13.00

Evelyn Biehn

County Clerk

By

[Signature]