FORM No. 7—MORTGAGE—Short Form.

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66520

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THIS INDENTURE WITNESSETH: That JAMES G. CLEVIDENCE

of the County of Klamath, State of Oregon, for and in consideration of the sum of Eighteen Thousand Dollars ($ 18,000.00), to him in hand paid, the receipt whereof is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant bargain, sell and convey unto BEN WILSON and PATRICIA WILSON, husband and wife

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

THE W½SW¼SW¼NW¼ and that portion of the E½SW¼SW¼NW¼ lying West of Old Oregon Trunk Railway right of way, Section 16, Township 28, South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon

SUBJECT TO:

1) Rights of the public in and to any portion of said premises lying within the limits of the roads and highways.

2) An easement created by instrument, including the terms and provisions thereof recorded December 3, 1928 in Book 82, page 637 in favor of Pacific Telephone and Telegraph Company.

3) An easement created by instrument including the terms and provisions thereof recorded November 14, 1910, Book 30, page 377 in favor of Oregon Trunk Railway.

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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 Ben and Patricia Wilson and their heirs and assigns forever.

THIS CONVEYANCE is intended as a Mortgage to secure the payment of the sum of Twelve Thousand Five Hundred Dollars ($12,500.00) in accordance with the terms of that certain promissory note of which the following is a substantial copy:

See Copy of Note (attached hereto as Exhibit "A")

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: January 29, 1990

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

[illegible]

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

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 Ben and Patricia Wilson *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* James Clevidence and his *heirs or assigns.*

Witness my *hand this* 29 *day of* September *, 19* 86

James Clevidence

James Clevidence

***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.

STATE OF OREGON,

County of Klamath } *ss.*

BE IT REMEMBERED, *That on this ______ day of* September *, 19*86, *before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named* James Clevidence *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.*

Susan G Della

Notary Public for Oregon.

My Commission expires 11/5/89

MORTGAGE

(FORM No. 7)

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

JAMES CLEVIDENCE

TO

BEN WILSON and PATRICIA WILSON, husband and wife

AFTER RECORDING RETURN TO

Ben Wilson
Box 171
Chemult, OR 97731

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 ______ on page ______ or as file/reel number ______, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

______ *Title*

By ______ *Deputy.*

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$ 12,500.00 Klamath Falls, Oregon, September 29, 19 86

Forty months (40) after date, each of the undersigned promises to pay to the order of Ben and Pat Wilson and upon the death of either of them to the order of the survivor of them, Chemult, Oregon (herein called the payee) at the sum of Twelve Thousand Five Hundred---------- DOLLARS ($ 12,500.00), together with interest thereon at zero percent per annum from the date hereof until paid; interest payable none.

1. To secure the payment of this note and any other liabilities of any of the undersigned to said payee, hereafter arising, the undersigned grant to the payee a security interest in the following collateral:

(a) A 1978 Ford Semi-Tractor, VIN No.: X91XVCF2727; Title No.: 8431387066; Oregon License Plate No.: NR99422; Body Style: TR.

(b) together with any other property, tangible or intangible, owned by or in which the undersigned, or any thereof, have an interest which may hereafter be in the possession or control of the payee and

(c) the proceeds and products of all the foregoing.

2. If other liabilities of any of the undersigned to the said payee are in existence when this note is paid, then, notwithstanding the surrender of this note, the payee may retain the collateral and, with reference thereto, have all rights and remedies available to him including those granted or referred to in this note.

3. The payee may vote the collateral, collect all dividends thereon, receive and take control of any proceeds, transfer all or part of the collateral into payee's own name or that of his nominee and notify any person obligated on the collateral of the payee's security interest therein and to make payments directly to the payee.

4. The payee shall have no duty to collect or protect the collateral or any proceeds, to preserve the rights of any of the undersigned against prior or other parties, to realize on the collateral in any particular manner or to seek reimbursement from any particular source and, at his option, may proceed directly against the undersigned, the endorsers hereof or any thereof.

5. With reference to this note and also to that portion of the collateral, if any, which includes indebtedness owing to any of the undersigned, the payee, at his election, may grant any extensions, postponement of time of payment, indulgence, or permit any substitutions, exchange or release of collateral and may add to or release any parties primarily or secondarily liable without notice to and without releasing any of the undersigned or any endorser hereof.

6. The undersigned assume full responsibility for taking any necessary steps to protect any of the collateral in payee's possession including, without limitation, the exercise of any rights respecting the collateral. The payee shall have exercised reasonable care in the preservation and protection of the collateral if he takes such action for that purpose as the undersigned shall request in writing, but no omission to comply with any such request of itself shall be deemed failure to exercise reasonable care.

7. If this note is placed in the hands of an attorney for collection, each of the undersigned promises and agrees to pay the reasonable collection costs of the holder hereof; and if suit or action is filed hereon, also promises 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.

8. If payment of this note is made by any co-maker or endorser the payee is authorized, at his election, to surrender the collateral to the person making such payment.

9. The rights and remedies of the payee (as the secured party herein) with respect to all of the above described collateral as well as all other collateral in which the payee has a security interest by this note or otherwise shall be those provided by the laws of Oregon.

10. If the payee negotiates or transfers this note he may deliver all or any part of the collateral to the transferee or holder who thereupon shall become vested with all the powers and rights herein granted to the said payee. Upon such negotiation or transfer, the payee shall be relieved and discharged from any liability or responsibility in connection with the transferred collateral but all rights of the payee shall be preserved with respect to any collateral retained by him.

11. The undersigned shall be in default hereunder upon the occurrence of any of the following events:

(a) Failure to pay when due the principal of or interest on this note;

(b) Change in the condition or affairs, financial or otherwise, of any of the undersigned or of any endorser hereof which in payee's opinion impairs or decreases his security;

(c) Termination of business or commencement of any insolvency proceedings by or against any of the undersigned or any endorser hereof, or if any of the undersigned or endorser hereof dies, or if any of them is a partnership, the death of any partner;

(d) If this note is secured by a security agreement, any default of debtor under the terms of said agreement.

In the event of the occurrence of any of the foregoing events of default or if the payee deems or has reasonable cause to deem himself insecure, then at the option of the said payee this note as well as all other obligations to payee of any of the undersigned and of any endorser hereof shall immediately become due and payable.

12. In construing this instrument, the singular includes the plural and vice versa, the masculine pronoun includes the feminine and the neuter and the payee means and includes any holder hereof.

James Clevidence

James Clevidence

If Disclosures are required, use S-N Form No. 1320 or equivalent.

FORM No. 151—COLLATERAL NOTE.
Stevens-Ness Law Publishing Co., Portland, OR OL

EXHIBIT "A"

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the 29th day of September A.D., 19 86 at 3:28 o'clock P M., and duly recorded in Vol. M86, of Mortgages on Page 17683.

Evelyn Biehn, County Clerk
By Pam Smith

FEE $13.00