

Recording requested by:
THE HARLAND LAW FIRM

After recording return to:
The Harland Law Firm
622 H Street
Eureka, CA 95501

K-44909

M O R T G A G E

KNOW ALL MEN BY THESE PRESENTS that David P. Stewart and Terri Hunt Stewart, Mortgagors, in consideration of Ten Dollars and other good and valuable consideration to them in hand paid, the receipt of which is hereby acknowledged, have granted, mortgaged and conveyed, and by these presents do grant, mortgage, and convey unto Albert H. Hunt and Betty P. Hunt, husband and wife as community property, hereinafter known as the Mortgagee, a 36/100ths undivided interest in the following described real property, together with the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining, situated in Klamath County, in the State of Oregon, attached hereto as Exhibit A and by reference incorporated herein as though fully set forth.

TO HAVE AND TO HOLD the same, with the appurtenances, unto the said Mortgagee, its successors and assigns, forever.

THIS CONVEYANCE is intended as a mortgage to secure payment of the sum of Two Hundred Ninety Thousand and no/100 Dollars (\$290,000.00), in accordance with the terms of the promissory note, a substantial copy of which is attached hereto as Exhibit B, and by reference incorporated herein as though fully set forth.

The Mortgagors covenant to and with the Mortgagee, its personal representative, successors and assigns, that they will warrant and forever defend the same against all persons; that they will pay said note, principal and interest, according to its terms; that while any part of said note remains unpaid, they will pay all taxes, assessments, and other charges of every nature which may be levied or assessed against the said property or this mortgage, or the note above described, when due and payable and before the same may become delinquent; that they 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 they will keep the buildings now on or which may hereafter be erected on the premises insured in favor of Mortgagee against loss or damage by fire, as its interest appears, and will keep the buildings and improvements on said premises in good repair; that Mortgagors will not commit or suffer any waste of said premises.

Now, therefore, if said Mortgagors 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 or mortgage 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. If Mortgagors shall fail to pay any taxes or charges, or any lien, encumbrance, or insurance premium as provided, the Mortgagee may, at its 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. This mortgage may be foreclosed for principal, interest and all sums paid by the Mortgagee at any time while the Mortgagors neglect to repay any sums so paid by Mortgagee, and if suit be commenced to foreclose this mortgage, the attorney fees provided in said note shall be included in the lien of this mortgage.

Mortgagors have the right to make agreements with others to sell or exchange the land. However, in the event Mortgagor defaults under the terms of this agreement and does not pay the entire balance owing on or before January 1, 2014, the property shall revert to Mortgagee upon foreclosure, with this Mortgage being free and clear of any and all interest of any outstanding contract holders. Any contracts or agreements made by Mortgagors herein regarding this property shall be inferior to the lien of this Mortgage, and Mortgagee shall look solely to David P. Stewart and Terri Hunt Stewart, Mortgagors, for remedies as a result of any default in the performance of this agreement. Any such agreements

entered into by Mortgagors with terms inconsistent with this Mortgage shall be null and void. There shall be no deeding of any portion of this property, or of any interest therein, to any other person without prior approval of Mortgagee, and Mortgagee may require that all net proceeds go to Mortgagee as consideration for the release or any deny outright the right to deed that property until this Mortgage is fully satisfied and the promissory note paid in full.

Mortgagors shall not log nor remove any timber unless the net proceeds therefrom are applied to the unpaid balance owing on the promissory note which this Mortgage secures.

Each and all of the covenants and agreements herein contained shall apply to and bind the heirs, personal representatives and assigns of said Mortgagors and said Mortgagee, respectively.

WITNESS our hands and seals this 22nd day of December, 1993.


DAVID P. STEWART


TERRI HUNT STEWART

State of Oregon)
) ss.
County of Klamath)

On December 22nd, 1993, before me, the undersigned notary public, in and for said state, personally appeared DAVID P. STEWART, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the

instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Tammy C. Allen

State of Oregon)

ss.

County of Klamath)

On December 22nd, 1993, before me, the undersigned notary public, in and for said state, personally appeared TERRI HUNT STEWART, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Tammy C. Allen

EXHIBIT A

To Mortgage

Klamath County Real Property

A 36/100ths undivided interest in the following-described real property in the County of Klamath, State of Oregon:

All of Section 13, Township 39 South, Range 11 $\frac{1}{2}$ East of the Willamette Meridian, EXCEPT the NW $\frac{1}{4}$ NW $\frac{1}{4}$.

The SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 14, Township 39 South, Range 11 $\frac{1}{2}$ East of the Willamette Meridian.

SUBJECT TO: Terms and conditions of special assessment as farm use and the right of Klamath County to additional taxes in the event said use should be changed; assessments, irrigation, water rights, and rights of way of Horsefly Irrigation District; reservation in Vol. 162, page 271, Deed Records of Klamath County, Oregon, and easements and rights of way of record and apparent thereon, and

Subject to the requirements and provisions of ORS Chapter 481, pertaining to the registration and transfer of ownership of a mobile home, and any interest or liens disclosed hereby.

A.P. No. 3911-V-0000-4500
3911-V-0000-4800

EXHIBIT B

To Mortgage

PROMISSORY NOTE

\$290,000.00

Bonanza, Oregon
December 23, 1993

We, David P. Stewart and Terri Hunt Stewart, promise to pay to the order of Albert H. Hunt and Betty F. Hunt as community property at P.O. Box 26, Bridgeville, CA 95526, the sum of Two Hundred and Ninety Thousand and No/100ths Dollars (\$290,000.00), with interest thereon at the rate of six (6) percent per annum from January 1, 1993, until paid, payable as follows:

The sum of \$2,119.69 per month, including accrued interest, for two hundred and forty months, commencing February 1, 1993, said payments to be applied toward the interest due and then to principal.

If any such installment is not paid when due, all principal and interest shall become immediately due and payable, at the option of the holder of this note. If this note is placed in the hands of an attorney for collection, I, we, or either of us promise and agree to pay holder's reasonable attorney fees and collection costs, even though no suit or action is filed hereon; however, if a suit or action is filed, the amount of such reasonable attorney fees shall be fixed by the court or courts in which the suit or action, including any appeal therein, is tried, heard or decided.

This note is secured by a mortgage of real property of the same date.

STATE OF OREGON, ss.
County of Klamath

Filed for record at request of:

Klamath County Title Co

on this 22nd day of Dec. A.D. 19 93
at 1:33 o'clock P.M. and duly recorded
in Vol. 1593 of Mortgages Page 34305

Evelyn Biehn County Clerk

By Dorinda M. Mendenhall

Fee, \$40.00

DAVID P. STEWART

Terri Hunt Stewart
TERRI HUNT STEWART