

THIS MORTGAGE, Made this 28th day of April, 1994, Vol. M94 Page 13854
 by J. ANTHONY GIACOMINI and SYDNEY K. GIACOMINI, husband and wife, tenants by the entirety
 to FACILITIES LEASING CORPORATION, an Oregon Corporation hereinafter called Mortgagor,

WITNESSETH, That said mortgagor, in consideration of One Hundred Twenty-five Thousand and No/100ths 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:
 Lots 5, 6, 7 and 8, SW $\frac{1}{4}$ of NE $\frac{1}{4}$, W $\frac{1}{2}$ of SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 22, Township 39 S., Range 10 EWM
 EXCEPT rights of way for roads, ditches and canals, and including reservoir sites, and EXCEPT that portion conveyed to the United States of America for right of way purposes in Vol. 37 at page 315, Deed Records, and EXCEPT the following described tract all that portion of the N $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 22, Township 39 S., Range 10 EWM, lying Northwesterly of the Crystal Springs Road and Easterly of the existing irrigation canal.

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 certain promissory note, described as follows: Promissory Note for \$125,000.00, bearing interest at 7.5% per annum payable on May 1, 2004. Prepayment may be made.

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 the purchase of real estate, the improvement of real estate, or the refinancing of a mortgage on real estate.~~
 And said mortgagor further 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 Except for easements & rights of way of record and apparent thereon
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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 now on or which may hereafter be erected on the premises insured in favor of the mortgagee against loss or damage by fire, with extended coverage, in the sum of \$ NO IMPROVEMENTS; and he will deliver all policies of insurance on said premises to the mortgagee as soon as insured; that he will keep the building and improvements on said premises in good repair and will not commit or suffer any waste of said premises. Now, therefore, he 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; if being agreed that a failure to perform any covenant herein, or if proceedings 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 of any lien, encumbrances or insurance sums so paid by the mortgagee may be foreclosed for principal, interest and all sums paid by the mortgagee at any time while the mortgagor neglects to repay any sums incurred by the mortgagee. In the event of any suit or action being instituted to foreclose this mortgage, the mortgagor agrees to pay all reasonable attorneys' fees in such suit or action, and 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 mortgagor, the court may, upon motion of the mortgagee 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 to the payment of the amount due under this mortgage, first deducting all proper charges and expenses attending the execution of said trust.

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.

*IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable, the mortgagee MUST comply with the Truth-in-Lending Act and Regulation Z by making required disclosures; for this purpose, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use S-N Form No. 1305 or No. 1306, or equivalent. If this instrument is NOT to be a first lien, use S-N Form

STATE OF OREGON, County of KLAMATH, ss:

Personally appeared the above named J. ANTHONY GIACOMINI & SYDNEY K. GIACOMINI, April 29, 1994.

and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me: Eda Gilbert

My commission expires: 6/1/97

Notary Public for Oregon



OFFICIAL SEAL
 ED A GILBERT
 NOTARY PUBLIC - OREGON
 COMMISSION NO. 023892
 MY COMMISSION EXPIRES 6/1/97

MORTGAGE

J. ANTHONY GIACOMINI and
 SYDNEY K. GIACOMINI

TO

FACILITIES LEASING CORPORATION

No.

AFTER RECORDING RETURN TO
 J. Anthony Giacomini and
 Sydney K. Giacomini
 706 Main Street
 Klamath Falls, OR 97601

(DON'T USE THIS
 SPACE; RESERVED
 FOR RECORDING
 LABEL IN COUN-
 TIES WHERE
 USED.)

Fee \$10.00

STATE OF OREGON,

County of Klamath ss.

I certify that the within instru-
 ment was received for record on the
 3rd day of May, 1994,
 at 1:21 o'clock AM, and recorded
 in book M94 on page 13854.
 Record of Mortgages of said County.

Witness my hand and seal of
 County affixed.

Evelyn Biehn

County Clerk

Title.

By Pauline Mullins Deputy