

10793

'95 DEC 19 P1:10

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THIS MORTGAGE, Made this 19th day of December, 1995, between Jerry J. and Myrna L. Feliciello, as mortgagor, and Jones Loving Trust, dated June 2, 1992, Earl E. Jones, Trustee and E. June Jones, Trustee, as mortgagee, WITNESSETH, That the mortgagor in consideration of Fifty Thousand and no/100 Dollars (\$50,000.00), to mortgagor paid by the mortgagee, does hereby grant, bargain, sell and convey unto the mortgagee and mortgagee's personal representatives, successors and assigns, that certain Real property situated in Klamath County, State of Oregon, bounded and described as follows, to-wit:

All buildings and improvements upon the Winema National Forest land described as "Block A, Lot 7, Recreation Creek Tract" which is under long term permit to mortgagor and which buildings and improvements are owned by mortgagor.



together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any way appertaining, and which may hereafter thereto belong or appertain, and the rents, issues and profits therefrom, and any and all fixtures upon the 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 premises with the appurtenances unto the mortgagee and the mortgagee's personal representatives, successors and assigns forever.

This mortgage is intended to secure the payment of one (or more) promissory note(s), in substantially the following form(s):

In consideration of \$50,000.00 conveyed by Jones to Feliciello, Feliciello will provide the above described security will provide the above described security until the amount is repaid in the following manner:

Interest rate to be 10%, payable as monthly payments of interest only beginning January 1, 1996 through May 1, 1996, in the amount of \$416.66, and principal and interest thereafter in the amount of \$1,339.29 for 56 months, with a final payment of \$2,125.29 due and payable in the 57th month.

SECOND MORTGAGE

TO

After recording return to (Name, Address, Zip):

JERRY J. FELICIELLO
27833 RIDLEY HUNT RD.
KLAMATH FALLS, OR 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 _____ and/or as fee/file/instrument/microfilm/reception No. _____, Record of Mortgage of said County.

Witness my hand and seal of County affixed.

NAME

TITLE

By _____, Deputy

1150

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 1, 2001

The mortgagor warrants that the proceeds of the loan represented by the note(s) and this mortgage are:

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

This mortgage is inferior, secondary and subject to a prior mortgage on the premises, between Jerry J. Feliciello and Myrna L. Feliciello, Klamath Falls, OR and Richard M. Kowalis & Betty J. Kowalis, Lakeside, OR, dated _____, 19____, and recorded in the mortgage records of the above-named county in book/reel/volume No. _____, at page _____ thereof, and/or as fee/file/instrument/microfilm/reception No. _____, (indicate which), reference to that prior mortgage and those mortgage records hereby being made. That first mortgage was given to secure a note for the principal sum of \$100,000.00. The unpaid principal balance thereof on the date of the execution of this mortgage is \$9,282.41 and no more. Interest thereon is paid to December 5, 1995. That prior mortgage and the obligations secured thereby are hereinafter referred to as "first mortgage."

This mortgage is further conditioned upon the faithful observance by the mortgagor of the following covenants hereby expressly entered into by the mortgagor, to-wit:

Mortgagor is lawfully seized of the premises, and the same are free from all encumbrances, except the first mortgage, and except (if no further exceptions, so state) No further exceptions and mortgagor will warrant and defend the same against the claims and demands of all persons whomsoever.

Mortgagor will do and perform all things required of mortgagor and pay all obligations due or to become due under the terms of the first mortgage as well as the note(s) thereby secured and secured hereby, principal and interest, according to the terms thereof.

Mortgagor will pay the promissory note(s) and all installments of interest thereon promptly as the same become due, according to the tenor of the note(s).

So long as this mortgage remains in force, mortgagor will pay all taxes, assessments, and other charges of every nature levied or assessed upon or against the premises when due and payable, according to law, and before the same become delinquent, and will also pay all taxes levied or assessed on this mortgage or the debt thereby secured, and will promptly pay and satisfy any mechanics' liens or other encumbrances that, by operation of law or otherwise, become a lien upon the mortgaged premises superior to the lien of this mortgage.

Mortgagor will keep the improvements erected on the premises in good order and repair and will not commit or suffer any waste of the 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(s), as well as the cost of any lien search made by filing officers or searching agencies as may be deemed desirable by the mortgagee.

So long as this mortgage shall remain in force, mortgagor will keep the buildings now erected, or any which may hereafter be erected on the premises, insured against loss or damage by fire, with extended coverage, to the extent of \$. Replacement in some company or companies acceptable to the mortgagee and for the benefit of both parties hereto as their interests may appear, and will deliver all the policies and renewals thereof to the mortgagee.

NOW, THEREFORE, if the mortgagor shall pay the promissory note(s) and shall fully satisfy and comply with the covenants hereinbefore set forth, then this conveyance shall be void, but otherwise it shall remain in full force and virtue as a mortgage to secure the payment of the promissory note(s) in accordance with the terms thereof and the performance of the covenants and agreements herein contained. Any failure to make any of the payments provided for in the note(s) or this mortgage when the same shall become due or payable, or to perform any agreement herein contained, shall give to the mortgagee the option to declare the whole amount due on the note(s), or unpaid thereon or on this mortgage, at once due and payable, and this mortgage by reason thereof may be foreclosed at any time thereafter. If the mortgagor shall fail to pay any taxes or other charges or any lien or insurance premium as herein provided to be done, the mortgagee shall have the option to pay the same. Any payment so made shall be added to and become a part of the debt secured by this mortgage, and draw interest at the same rate as the note(s) without waiver, however, of any right arising from breach of any of the covenants herein. Time is of the essence with respect to all sums due hereunder, and the promissory note(s).

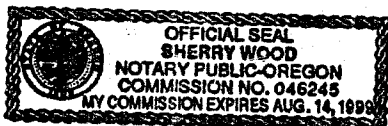
In case a suit or action is brought to foreclose this mortgage, the court may, upon motion of the holders of the mortgage, without respect to the condition of the property, appoint a receiver to collect the rents and profits arising out of the premises and direct the receiver to apply such rents and profits to the payment and satisfaction of the amount due under this mortgage, first deducting all proper charges and expenses of the receivership, including a reasonable charge for attorney fees.

In the event any suit or action to foreclose this mortgage is commenced, the losing party therein agrees to pay the attorney fees, costs and disbursements of the prevailing party, including statutory costs and disbursements and costs of title report(s) and/or title search. If any appeal is taken from any judgment or decree entered pursuant to such suit or action, the losing party on appeal therein promises to pay the attorney fees, costs and disbursements, including all statutory costs and disbursements, of the prevailing party. To the extent permitted by law, all such sums shall be and are secured by the lien of this mortgage and shall be included in the judgment or decree of foreclosure.

Each and all of the covenants and agreements herein contained shall apply to, inure to the benefit of, and bind the personal representatives, successors and/or assigns of the mortgagor and of the mortgagee respectively.

In construing this mortgage and related note(s), it is understood that the mortgagor or mortgagee may be more than one person. If the context so requires, the singular shall be taken to mean and include the plural. 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, the mortgagor has executed this instrument the day and year first above written. If the mortgagor is a corporation, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.



Jerry J. Feliciello
Myrna L. Feliciello

STATE OF OREGON, County of Klamath ss.
This instrument was acknowledged before me on December 19, 1995,
by Jerry J. Feliciello and Myrna L. Feliciello
This instrument was acknowledged before me on _____, 19____,

STATE OF OREGON, ss.
County of Klamath

Filed for record at request of:

Jerry Feliciello

on this 19 day of Dec. A.D., 19 95
at 1:10 o'clock P. M. and duly recorded
in Vol. M95 of Mortgages Page 34556

Bernetha G. Letsch, County Clerk

By Sherry Wood

Deputy.

Fee, \$15.00

Sherry Wood
Notary Public for Oregon
My commission expires Aug. 14, 1999

(a) or (b) is inapplicable. If warranty (a) is applicable, and if the mortgagee is a Regulation Z, the mortgagee MUST comply with the Act and Regulation by making 319 or equivalent.