

Mr. and Mrs. Gary Brines 2369 Fish Creek Place Danville, CA 94506 (925) 820-8880

Security Agreement

~~004~~ → This Mortgage is made by **Jimmie L. McNair** an individual with an address of 1834 Highway 145, PO Box 125, Glenn, CA. 95943, being single, ("Mortgagor"), to **Gary or Doris Brines** a married couple with an address of 2369 Fish Creek Place, Danville, CA 94506 ("Mortgagee").

Ret to

Mortgagor is indebted to Mortgagee in the principal sum of **\$35,000.00** with interest at the rate of **8.0** percent per year, payable as provided in a certain *Installment Promissory Note* dated **Sunday, June 04, 2000**. The terms and conditions of such *Installment Promissory Note* are incorporated herein by reference.

Therefore, to secure the payment of the above indebtedness, Mortgagor hereby mortgages and conveys to Mortgagee all the following real estate:

A parcel of land situated in Lot 18 of "Subdivision of Tracts 25 to 32 inclusive together with the South 10 feet of Tracts 33 and 34 of ALTAMONT RANCH TRACTS, in the County of Klamath, State of Oregon, being more particularly described as follows:

Beginning at a point on the South line of said Lot 18 from which the Southeast corner of said Lot bears South 88° 46' East, 175.22 feet; thence North 00° 12' West 263.57 feet to an iron pin on the North line of said Lot 18; thence North 84° 40' West along the North line of said Lot 156.144 feet to an iron pin; thence continuing along said Northerly line North 51° 09' West, 46.54 feet to an iron pin; thence South 00° 12' East, 303.15 feet to an iron pin on the Southerly line of said Lot 18; thence South 88° 46' East, 191.61 feet to the point of beginning

(Reference *Attachment 1*, Warranty Deed descriptions)

Subject to: First Mortgage in the Terms and Conditions of such *Installment Promissory Note*

Subject to all valid easements, rights of way, covenants, conditions, reservations and restrictions of record, if any.

To have and to hold the same, together with all the buildings, improvements and appurtenances belonging thereto, if any, to the Mortgagee and Mortgagee's heirs, successors and assigns forever.

Mortgagor covenants with Mortgagee that:

1. Mortgagor will promptly pay the above indebtedness when due;
2. Mortgagor will promptly pay and discharge all real estate taxes, assessments and charges assessed upon the property when due, and in default thereof, Mortgagee may pay the same and such amounts will also be secured by this Mortgage;
3. Mortgagor will keep the buildings and improvements on the property, if any, insured against loss by fire and other casualty in the name of Mortgagee in such an amount and with such company as shall be acceptable to Mortgagee, and in default thereof, Mortgagee may effect such insurance and such amounts will also be secured by this Mortgage;
4. Mortgagor will neither make nor permit any waste upon the property and will maintain the property and any improvements in good repair;
5. Mortgagor will not remove or demolish any building or improvement on the property without the consent of Mortgagee;
6. If Mortgagor shall sell, convey or transfer, voluntarily or involuntarily, all or any interest in the above property, Mortgagee may, at its option, declare the entire indebtedness secured hereby to be immediately due and payable;
7. Mortgagor hereby assigns to Mortgagee all rents and profits of the property, if any, as additional security for the above indebtedness;
8. Mortgagee shall be entitled to the appointment of a receiver in any action to foreclose this Mortgage; and
9. Mortgagor will warrant and defend the title to the property against the lawful claims and demands of all persons.

If any payment required under such *Installment Promissory Note* is not paid when due, or if default shall be made by Mortgagor in the performance of any agreement, term or condition of this Mortgage or such *Installment Promissory Note*, Mortgagee may, at its option, declare the entire indebtedness secured hereby to be immediately due and payable and may enforce payment of such indebtedness by foreclosure of this Mortgage or otherwise, in the manner provided by law. Mortgagor shall pay all costs and expenses, including reasonable attorney's fees, incurred by Mortgagee by reason of Mortgagor's default.

Provided, however, that if Mortgagor shall pay the above indebtedness and faithfully perform all agreements, terms and conditions of this Mortgage and such ***Installment Promissory Note***, then this Mortgage shall be null and void.

The rights and remedies of Mortgagee herein are cumulative, not exclusive, and are in addition to all other rights and remedies available to Mortgagee at law or equity. Failure of Mortgagee to exercise any right or remedy at any time shall not be a waiver of the right to exercise any right or remedy on any future occasion.

If any provision of this Mortgage shall be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

I Jimmie L. McNair, in consideration of the above sum and other good and valuable consideration received, do hereby waive and release to Mortgagee all rights of dower, curtesy, homestead, community property, and all other right, title and interest, if any, in and to the above property.

This Mortgage is made upon the STATUTORY CONDITION, for any breach of which Mortgagee will have the STATUTORY POWER OF SALE, if existing under applicable law.

Jimmie L. McNair (Mortgagor) Jimmie L. McNair
Date 6-4-00

Gary C. Brines (Mortgagee) Gary C. Brines
Date 6/4/00

Doris M. Brines (Mortgagee) Doris M. Brines
Date 6/4/00

County Recorder

IN WITNESS WHEREOF, this Mortgage is executed under seal on

the 5th day of June, 192000.Signed, sealed and delivered
in the presence of:_____
(Signature of witness)Jimmie L. McNair (Seal)

STATE OF

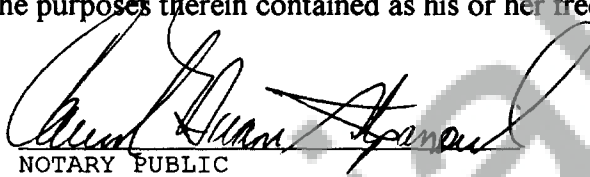
California

COUNTY OF

Contra Costa

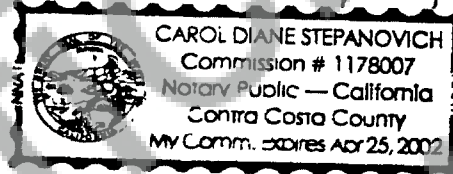
Notary

In Contra Costa, CA., on the 5th day of June, 2000, before me, a Notary Public in and for the above state and county, personally appeared **Jimmie L. McNair**, known to me or proved to be the person named in and who executed the foregoing instrument, and being first duly sworn, such person acknowledged that he or ~~she~~ executed said instrument for the purposes therein contained as his or her free and voluntary act and deed.


NOTARY PUBLIC

My Commission Expires: April 25, 2002

(SEAL)



NOTARY PUBLIC

My Commission Expires: _____

(SEAL)

This Mortgage was prepared by: **Gary Brines, Doris Brines**

After recording, return to: **Gary Brines 2369 Fish Creek Place,
Danville, CA 94506**

State of Oregon, County of Klamath
Recorded 06/07/00, at 2:10 p. m.
In Vol. M00 Page 20604
Linda Smith,
County Clerk Fee \$ 41.00