T/A#M14114-7 Vol. 78 Page 6868
MORTGAGE 46047 78 _ between Carried called "Mortgages", and WESTERN BANK, an Oregon banking corporation, herein called "Mortgages", BARGLD W. DRAFBIR and MARY E. DEARBORN, husband and wife. THE DOLLAR OF SHA OF USE SCALE STATES to the application of the constant decrease to the expensive of the application of the application of the application of the constant decrease to the application of the application of the applications are constant of the applications and the applications of the applications are constant or constant of the applications are constant or consta The about the property of the partners of the because the state of the state and at the fine of said loss of damage strongs, the company of Klamath; State of Oregon, Excepting waso the Mortgages all the following discribed property situated in THE EAST OF THE EAST OF SECOND ALSO EXCEPTING THEREFOR that portion in the State Highway thereof at the time of said for or damage provided. But I The same and seed and also successful filed April 26, 1965 in Case No. remark the secondary as secondary as secondary as remaining the remaining the secondary as secon Morkagent Crassier in the many which consent of the Annual Consent White 115, 1272 in Sec. 25-13; at 1983, 1895, as 4 the racte mentained shove, which is a greater, and start bewante of the same premises, or any part thereof, that Montgagor interest 21, 839 per amount, or at the rain of interest and forth in E That Montagor will not commit or parmit strip or and any expensed symmetried and any some so paid shall bear chances make any repair, or do any other of the mine recaired. meters: 22, provided in the producetry hore mendoned bereindefault, retrente mer insurmices, jage aufe to ber in fiene etr unfitze intellicthouses accured hereby, each sach payment to bear and disting on its part to the co. and without hereographered worth or performed, the Morkepier Play, at its opinion, sur without step layment to the principal beings then unpaid on the to or periors day of the anis or through required to be and mayable, and Mortgagee may then add the amount of any be payable from the loan trust funds, when the same become time 6 That it ease the Mericana statistic, neglets en milase to Morkaged property and all other charges which would other so Mortgages is sufficient to pay taxes, identified premiums on the or the rule to the said property as mor he required by the the indebtednesses secured bereby if Martyages elects so in no. That he sail execute of provide short fleather pound dre directly to the payment of the principal balance then unpaid on Mertiages's option Mortgages may supply all loan tate! (made hereby escured or to be used for the mount of reconstruction of the invalid to distinct the invalid of the construction of the invalid to the construction of the invalid to the construction of the construct the property damaged or destroyed. any loss growing out of any defect in any favorance policy. At pourse to be applied to the popularity of the independent of fallere to transmit 303; premiume de any insurer or by reason of require the proceeds of the desired process when the said or not service thatget are toppesed, be subject to any liability to: Mortgages may required about the first deliner ones, of the option, package repre maistance policies. Mutigative shall not, whether manuscrie is preferenced to the second correct of the territories or that the coverage of my second the feet and chings and obtain the feet and chings and obtain the feet and transfer that the contract is a contract. charges for the collection and dishursement of premiums on Mortgages may, from time to time, establish reasonable service shares. In 1800 million on and dishustennia of Learning on together with the tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in anywise appertaining, including but not limited to rosate and easements used in connection with the premises; also, all fixtures, buildings and parts of including but not limited to restrict witing and fixtures; furnace and heating system, which including but not limited to restrict witing and fixtures; furnace and heating system, buildings situated upon early including but not limited to restrict witing avaiems; screens, doors; window shades and blinds, buildings situated upon early property, including but not limited to restrict witing avaiems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; window shades and blinds, water, and irrigating systems; screens, doors; furnace and heating systems; screens, doors, window shades and blinds, water, and irrigating systems; screens, doors, window shades and blinds, water, and irrigating systems; screens, doors, window shades and blinds, water and irrigating systems; screens, doors, window shades and blinds, water and irrigating systems; screens, doors, window shades an covernate to pay said obligations as to keep the permises moured. mortiaged proberty on to thing sugained under the mortings, only policy or pour pe he as it is Viorgent TO HAVE AND TO HOLD the same unto the Mortgagee, its successors and assigns forever. Dog the Mortgagor does hereby covenient to and with the Mortgages that the Mortgagor is lawfully seized in fee simple of the ald rest property, that it is the absolute owner of all thems of property described hereinabove, that the said property afree from the property that it is the absolute owner of all thems of property described hereinabove, that the said property afree from the property that it is the absolute owner of all thems of property that it is the absolute owner of all thems of the said the said property and demands of the said that the said property is the said property and demands of the said property. said rest property, that it is the smooth owner of all thems of property described hereinabove, that the said property a free from the property is that it is the said in the said is the said property described the same against the lawful claims and demands of the covenants and agreements herein contained, to be sure (p) by the said that the said property described the same against the lawful claims and demands of the said property described the same against the lawful claims and demands of the said property described the same against the lawful claims and demands of the said property described the same against the lawful claims and demands of the said property described the same against the lawful claims and demands of the said property described the same against the lawful claims and demands of the same against the by the Morts speckept and performed and to secure the payment of the sum of \$ 55,000.00 but the Mortgagor, kept and performed and to getter the payment of the sum of a restrict of the second of a certain gradition note executed by a super second of a certain gradition of the payment of the sum of the second of a certain gradition of the second of the sec Including isternation the Self-in day of each provided to commencing 19. 78 wattle April 15 person and 1988 and when the belonce then remaining unpaid shall be paid. This Mortgage is also given as sociality for the payment of any and all other indobtednesses, obligations or liabilities of the Mortgagor to the Mortgages now existing or hereafter arising, matured of to mature, absolute or contingent and wherever payable. mortgagor to the mortgages now existing or necessiter arising, matured or to mature, absolute or contingent and wherever payment, including but not limited to such as may erise from endomaments, guarantees, acceptances, bills of exchange, promissory notes, or including but not limited to such as may erise from endomaments, guarantees, acceptances, bills of exchange, promissory notes, or including but not limited to such as may arese from encorsaments, guarantees, acceptances, bills of exchange, promissory noves, or or other paper discounted by the Mortgagee or held by the Mortgagee, or taken as security for any loans or advances of any kind, sort or other paper discounted by the Mortgagee or held by the Mortgagee, or taken as security for any loans or advances of any kind, sort or

description whatsoever.

That Mortgagor will pay, when due, the indebtedness hereby sacared, with interest as prescribed by said note, and will Fay, when the all other numb secured hereby, and all taxes, liens and utility ekesses upon said premises, or for services furnished thereto. In addition thereto, he will pay, at the time of payment of each installment of principal and interest, such amount as Idortgagee shall estimate to be sufficient to produce, at least one month prior to the time when payment thereof shall become due, the amount of (a) taxes, assessments and other governmental rates and charges against said premises (herein ell called "taxes") and (b) premiums upon insurance against loss or damage to said residual (said amounts being referred to hereinafter as "loan trust fances"). If the sures so paid shall be less than sufficient for said parposes, Mortgages will also pay, upon demand, such additional sum as Mortgagee shall deem necessary therefor. If Mortgagor, desires a "puckage" plan of insurance which includes coverage in addition to that required under this mortgage, Mortgagee may, at its option, establish and administer a reserve for that purpose. If the package plan reserve is not sufficient to for that purpose. If the package plan reserve is not sufficient to pay the renewal premium on a package plan policy, then more pay man and package plan policy, then be package may use such reserve to pay premiums on a policy covering only risks riquired to be insured against under this covering only risks riquired to be insured against under this covering only risks riquired to be insured against under this covering only risks riquired to be insured against under this covering the written direction of Mortegage, and may, without such direction, apply sums paid by Mortegage and held by such direction, apply sums paid by Mortegage and held by such direction, aprily sums paid by Mortsagor and held by Mortsagor to the purposes aforesaid; but the receipt of such sums shall not, in the absence of such direction, impose any duty upon Mortgagee to disburse the same or relieve Mortgagor from his covenants to pay said obligations or to keep the premises insured. Mortgagee may, from time to time, establish reasonable service charges for the collection and disbursement of premiums on package-type insurance policies. Mortgagee shall not, whether or not service charges are imposed, be subject to any liability for failure to transmit any premiums to any insurer or by reason of any loss growing out of any defect in any insurance policy. At Mortgagee's option, Mortgagee may apply all loan trust funds directly to the payment of the principal balance then unpaid on the indebtednesses secured hereby; if stortgages elects so to do, Mortgages is authorized to pay taxes, insurance premiums on the mortgaged property and all other charges which would otherwise be payable from the loan trust funds, when the same become due and payable, and Hortgages may then add the amount of any such payment to the principal balance then unpaid on the indebtainsses secured hereby, each such payment to bear interest as provided in the promissory note mentioned herein-

That Mortgagor will not commit or permit strip or above. waste of the said premises, or any part thereof; that Mortgagor will keep the real and personal property hereinabove described in good order and repair and in temporable condition; that Mortgagor will promptly comply with any and all municipal and governmental rules and regulations with reference thereto; that Mortgagor will not cut or permit the cutting or removal of any timber without the written someon of Martgagie, that if any of the major seaterth perspended or querioned ph sun comes Mortgages will tramediately rescustment or repair the same so that, when completed, it shall be worth not less than the value thereof at the time of such loss or damage; provided, that if such less by lands to shall be caused by a listand covered by insurance payable to Mortiples, the obligation of the Mortgagor to repair or reconstruct shall not seize unless the Mortgages shall consent to the application of the leavenne proceeds to the expense of such reconstruction or repair.

THIS INDENTIFIED made this

quality of a property of the Mortages of and the Mortages, the success and assessed and any and the mortages. insured against loss by fire and against loss by such other hazards as the Mortgagee may from time to time require, in one or more insurance companies satisfactory to or designated by the Mortgages in an aggregate amount not less than the amount of the indebtedness hereby secured (unless the full insurable value of such building or buildings is less than the amount hereby secured, in which event the Mortgagor shall insure to the amount of the full insurable value); that all policies of insurance upon said premises, including policies in excess of the amount hereinabove mentioned and policies against other hazards than those required, shall contain such provisions as the Mortgagee shall require and shall provide, in such form as the Mortgagee may prescribe, that loss shall be payable to the Mortgagee; that all such policies and receipts showing full payment of premiums therefor shall be delivered to and retained by the Mortgagee during the existence of this mortgage; that at least 5 days prior to the expiration of any policy or policies he will deliver to the Mortgagee satisfactory renewals thereof together with premium receipts in full; that if any policy or policies shall impose any condition upon the liability of the insurer or shall contain any "average clause" or other provision by which the insurer may be liable for less than the full amount of the loss sustained, he will, as often as the Mortgagee may require, provide the Mortgagee with all such evidence as it may request concerning the performance of such condition or the existence of any facts or the value of the property insured and, if it shall appear to the Mortgagee that the insurance is prejudiced by the acts or omissions of the Mortgagor or that the coverage is inadequate, the Mortgagor will do such acts and things and obtain such further insurance as the Mortgagee may require; that the Mortgagee may, at its option, require the proceeds of any insurance policies upon the said premises to be applied to the payment of the indebtedness hereby secured or to be used for the repair or reconstruction of the property damaged or destroyed.

4. That he will execute or procure such further assurance of his title to the said property as may be requested by the

5. That in case the Mortgagor shall fail, neglect or refuse to Mortgagee. do or perform any of the acts or things herein required to be done or performed, the Mortgagee may, at its option, but without any obligation on its part so to do, and without waiver of such default, procure any insurance, pay any taxes or liens or utility charges, make any repair, or do any other of the things required, and any expenses so incurred and any sums so paid shall bear interest at 8% per annum, or at the rate of interest set forth in the note mentioned above, whichever is greater, and shall be

6. That he will not, without the prior written consent of secured hereby. Mortgagee, transfer his interest in said premises or any part thereof, whether or not the transferee assumes of agrees to pay the indebtedness hereby secured. Upon any application for Mortgagee's consent to such a transfer, Mortgagee may require from the transferee such information as would normally be required if the transferee were a new losn applicant. Mortgagee shall not unreasonably withhold its consent. As a condition of its consent to any transfer, Mortgagee may, in its discretion, impose a service charge not exceeding one percent of the original amount of the indebtedness hareby secured and may increase the interest rate on the indebtedness hereby secured by not more than one percest per annum.

7. That, if any default be made in the payment of the principal or interest of the indebtednesses hereby secured or in the performance of any of the covenants or agreements of this That he will, at the own cost and expanse, keep the mortgage, may, at its option, without notice, mortgage or the kines move or hereign they have been been and payable desired by the mortgage due and payable with all pendent property schemes by the limit hereoff. The with all pendent property schemes by the limit hereoff.

3. That, in the event of the institution of any suit or action to foreclose this mortgage, the lifertgagor will pay such sum as the trial court and any appellate court may adjudge reasonable as atterney's fees in connection therewith and such further sums as the Mortgagee shall have paid or incurred for costs and disbursements in such suit or action, extensions of abstracts or title searches or examination fees in connection therewith, whether or not final judgment or decree therein be entered and all such sums are secured hereby and shall bear interest from the date paid or incurred by Mortgagee or from the date of judgment, whichever occurs first, at the rate set forth in the promissory note mentioned above; that in any such suit, the court may, upon application of the plaintiff and without regard to the condition of the property or the adequacy of the security for this indebtedness hereby secured and without notice to the Mortgagor or any one else, appoint a receiver to take possession and care of all said mortgaged property and collect and receive any or all of the rents, issues and profits which had theretofore arisen or accrued or which may arise or accrue during the pendency of such suit; that any amount so received shall be applied toward the payment of the debt secured hereby, after first paying therefrom the charges and expenses of such receivership; but until a breach or default by the Mortgagor in one or more of his coverants or agreements bersin contained, he

ment shall, where there is more than one mortgagor, be construed as plural and be binding jointly and severally upon all mortgagors and the word "Mortgagee" shall apply to any helder of this mortgage. Masculine pronouns include feminine and neuter. All of the covenants of the Mortgagor shall be binding upon his heirs, executors, administrators, successors and assigns and inure to the benefit of the successors and assigns of the Mortgagee. In the event of any transfer of the property herein described or any part thereof or any interest therein, whether voluntary or involuntary or by operation of law, the Mortgagee may, without notice to the Mortgagor or any one else, once or often, extend the time of payment or grant renewals of indebtedness hereby secured for any term, execute releases or partial releases from the lien of this mortgage or in any other respect modify the terms hereof without thereby affecting the personal primary liability of the Mortgegor for the payment of the indebtedness hereby secured. No condition of this mortgage shall be deemed waived unless the same be expressly waived in writing by the Mortgagee. Whenever any notice, demand, or request is required by the terms hereof or by any law now in existence or hereafter exacted, such notice, demand or request shall be sufficient if personally served on one or more of the persons who shall at the time hold record title to the property her

Possession of the mortgaged paid to said received by him p 9. The word "Mortgag IN WITNESS WHI the day and year first herein	or", and the language	fur	DETERME OF SO AL. BO		uore ectu ses :
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County of Rismar April 7	hA.D. 19 <u>. 78</u> .	sa.			
Personally appeared the a		Berold W. Do	Marborn and Mary F.	Dearhorn	
acknowledged the foregoing					
(Carly Smil)		J./)	ary act and deed. Before m	le: /	
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			olos Espiras: March		

	COUNTY OF KL	amath } "		
	say that he/m	maxis the attor	April 19 78 , who being dul ney-in fact for Mary	E Dearborn
	ment by author acknowledged a cipal	city of and on said instrument	he/ake executed the fo behalf of said princip to be the act and dee	al; and he/sas d of said prin-
			BEFORE ME:	•
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			My Commission Expires	March 22, 1981
-I here	E OF OREGON; COUNTY that the ware A.D., 19 78	ithin incommuna	received and filed for record or ckR_M., and duly recorde	the 10th day of d in Vol. 1978
	FEE_\$12.00_		WM. D.MILNE, County C	Jerk ,
Celion	to 178	S. S	By Dericka D. L.	6 ch Deputy

STATE OF OREGON