

28256

Vol. m83 Page 15733

THIS INDENTURE, Made this 2 day of September
between Louis T. Hill and Irene F. Hill, who are married to each other, 19 83,
as mortgagor, and Bank of America NT&SA - Tulalake Branch, as mortgagee,

WITNESSETH, That the said mortgagor for and in consideration of the sum of Five hundred
sixty thousand and no/100 Dollars (\$560,000.00) to him
paid by the said mortgagee, does hereby grant, bargain, sell and convey unto the said mortgagee, successors and
assigns those certain premises situated in the County of Klamath, and State of
Oregon, and described as follows:

See Exhibit "A", consisting of one page, attached hereto.

EXHIBIT A DESCRIPTION OF PROPERTY

The following described real property situated in Klamath County, Oregon:

All in Township 40 South, Range 10 East of the Willamette Meridian.

Section 10: W½SE¼
Section 22: E½NE¼
Section 23: S½SE¼
Section 24: W½W½SW¼SW¼
Section 26: NE¼, SE¼NW¼, SE¼, E½SW¼, EXCEPTING therefrom a parcel of land

situated in the SE¼ of said Section 26, being more particularly
described as follows: Beginning at a 1/2 inch iron pin at a point on curve on
the Northerly right-of-way line of Hill Road, a county road, from which the
Southeast corner of said Section 26 bears S. 50°27'46" E., 2887.00 feet; thence
along the arc of a 3789.72 feet radius curve to the right (delta=00°40'56";
long chord=N. 63°22'48" W. 55.05 feet) 55.05 feet to a 5/8 inch iron pin at the
end of curve; thence N. 62°57'50" W. continuing along said right of way line,
296.56 feet to a 5/8 inch iron pin at the beginning of a curve to the right;
thence along the arc of a 447.47 feet curve to the right (delta=18°33'40"; long
chord=N. 53°41'00" W., 144.22 feet) 144.96 feet to a 5/8 inch iron pin at the
end of curve; thence N. 44°24'10" W. continuing along said right of way line,
25.95 feet to a 1/2 inch iron pin; thence leaving said right of way line N.
25°04'36" East 301.49 feet to a 1/2 inch iron pin, thence S. 55°08'15" E.
187.54 feet to a 1/2 inch iron pin; thence S. 21°09'20" E., 460.38 feet to the
point of beginning containing 2.49 acres more or less.

Section 33: S½NE¼

Section 35: NE¼, E½NW¼, SE¼NW¼ Excepting therefrom the West 3 acres of the
SE¼NW¼. EXCEPTING THEREFROM all that portion of the NE¼NE¼
described as follows: Beginning at a point on the East boundary of Section 35,
Township and Range aforesaid, from which the Northeast corner of Section 35,
Township and Range aforesaid, bears N. 0°21' E. 286.7 feet distant, and running
thence S. 0°21' W. 1033.5 feet; thence West 20.1 feet to a point on the center
line of the No. 7 Drain of the Klamath Project; thence along the center line of
said No. 7 Drain N. 35°20' W. 19.5 feet; thence N. 9°43' W. 122.8 feet; thence
N. 27°56' W. 365.1 feet; thence N. 69°49' W. 133.0 feet; thence leaving the
center line of the said No. 7 Drain and running N. 31°32' E. 619.7 feet; thence
East 30.7 feet to the point of beginning. SAVING AND EXCEPTING that portion of
the above described parcel of land now occupied by the right of way of the No.
7 Drain of the Klamath Project.

ALSO EXCEPTING all that portion of the NE¼NE¼ of Section 35, Township 40 South,
Range 10 E.W.M., in the County of Klamath State of Oregon, described as
follows: Beginning at the Northeast corner of Section 35, Township and Range
aforesaid running thence S. 0°21' W. 286.7 feet along the East boundary of
said Section 35, Township and Range aforesaid; thence West 30.7 feet; thence S.
31°32' W. 573.8 feet; thence N. 69°49' W. 160.1 feet; thence N. 33°15' E. 629.4
feet; thence N. 0°3' E. 192.0 feet to the North boundary of said Section 35,
Township and Range aforesaid; thence N. 89°57' E. 143.0 feet along the North
boundary of said Section 35, Township and Range aforesaid to the point of
beginning.

EXCEPTING THEREFROM any portion lying within the right of way of Hill Road.

Louis T. Hill
Irene F. Hill

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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 successors and assigns forever.

THIS CONVEYANCE is intended as a mortgage to secure the payment of the sum of Five hundred sixty thousand and no/100 Dollars (\$560,000.00) in accordance with the terms of the attached certain promissory note of which the following is substantially a true copy, to-wit:

AGRICULTURAL REAL ESTATE NOTE ADJUSTABLE INTEREST RATE

NOTICE TO BORROWER: THIS DOCUMENT CONTAINS PROVISIONS FOR AN ADJUSTABLE INTEREST RATE

CHECK APPROPRIATE BOX:
☒ INDIVIDUAL
☐ CORPORATION ☐ PARTNERSHIP ☐ ASSOCIATION

1. FOR VALUE RECEIVED, the undersigned promises to pay in lawful money of the United States of America, to the order of Bank of America September 2, 1983

Five hundred sixty thousand and no/100 Dollars (\$560,000.00) Tulalake California
 NATIONAL TRUST AND SAVINGS ASSOCIATION at its Tulalake Branch in this city the principal sum of
 with interest payable on May 1, 1984 and annually DOLLARS (\$560,000.00)
 thereafter and upon payment in full of the principal of this note in like lawful money at the interest rates hereinafter provided on the

decreasing balance of said principal sum until paid; and to pay said principal sum in installments of Sixty six thousand nine hundred fifty five and 89/100 DOLLARS (\$66,955.89) initial
 on May 1, 1984 and twenty eight DOLLARS (\$66,955.89) annual
 installments of Sixty six thousand nine hundred fifty five and 89/100 DOLLARS (\$66,955.89) successive
 on May 1, 1985 thereafter until May 1, 2013 initial
 on which date the entire balance of principal and interest then unpaid shall be due and payable. Installments shall be applied,
 first to interest accrued and, then, to principal.

2. (a) Interest shall accrue from the date hereof at the rate of 11.50% (the "Initial Interest Rate").
 (b) The rate of interest is subject to change, as of March 1, 1984 and every thirty months thereafter
 ("Change Dates").
 (c) Changes in the rate of interest shall be based on changes in a six-month Treasury Bills or if for some other reason this Index is no longer
 rates on six-month United States Treasury Bills (the "Index"). The most recent Index figure available before the date hereof is the
 Base Index figure.
 If the United States Treasury discontinues issuing six-month Treasury Bills or if for some other reason this Index is no longer
 available, the holder of this note may select an alternate index. It must be an index that the United States Comptroller of the Currency,
 or other agency then regulating national banks, designates as acceptable for adjustable rate real estate loans. Unless an index for agri-
 cultural real estate loans is specifically so designated, the index selected shall be one designated for residential real estate loans.
 (d) As of each Change Date a new interest rate, determined as indicated below, will become effective.
 (i) The most recent Index figure available on the 45th day before the Change Date (the "Current Index figure") will
 be obtained.
 (ii) The cumulative difference between the Current Index figure and the Base Index figure (the "Index Difference") will
 be determined.
 (iii) If the Current Index figure is larger than the Base Index figure, the Index Difference will be added to the Initial
 Interest Rate; the result thus determined will be the new interest rate.
 (iv) If the Current Index figure is smaller than the Base Index figure, the Index Difference will be subtracted from the
 Initial Interest Rate; the result thus determined will be the new interest rate.
 (v) Notwithstanding the foregoing, on any Change Date no change in interest rate of less than one-tenth of one percent
 point (as measured from the interest rate in effect immediately before the Change Date) will be given effect.
 (vi) The holder of this note may elect to waive all or any part of an increase in interest rate. However, if the preceding
 calculations, including (v), call for a decrease in interest rate, the decrease must be given effect. See (e) attached on Exhibit
 (E) If the undersigned prepay this note in full within 90 days after a Change Date on which an increase in interest rate has
 occurred, the increase in interest will not be given effect. At any time the undersigned may prepay this note in part or in full together
 with interest accrued to the date of prepayment without payment of a prepayment premium.

INITIAL 9.7.8
 INITIAL 9.7.8

(g) ~~if~~ The amount of each year's interest will, as it accrues, be apportioned among the several years of 12 thirty-day months.

secured by a deed of trust which, in part, provides as follows: If default be made in the payment when due of any installment of principal or interest of the note or notes specifically referred to above or in the payment of any other assigns or transfers said property, or any part thereof, or any interest therein, or drills or extracts or enters into any lease for the drilling or extraction of oil, gas, or other hydrocarbon substances or any mineral of any kind or character therefrom or from any part thereof, or becomes divested of Trustor's title or any interest therein in any manner or way, whether voluntary or involuntary, or upon default by Trustor in the performance of any agreement hereunder, or in the event and at the time after anyone establishes and exercises any right to develop, bore for or mine for any water, gas, oil or mineral on or under the surface of the property, Beneficiary shall have the right, at its option, to declare said note or notes and any other indebtedness or obligation secured hereby irrevocable and no waiver of this right shall be effective unless in writing and signed by Beneficiary.

4. Notwithstanding any other provision of this Note, if default be made in the payment when due of any part of principal and interest the undersigned agrees to pay a delinquency charge for each such installment or portion thereof of fifteen (15) days in an amount equal to the greater of FIVE DOLLARS (\$5) or _____ one percent (1%) of the amount of each such installment. Solely for the purpose of determining whether or not a delinquency charge is past due more than fifteen (15) days, any payment made on or after the date of the delinquency charge shall be applied to principal of the most recent installment of principal and interest, the holder of which is past due.

5. The undersigned if _____ one percent (1%) of the amount of each such installment and payable without notice or demand.

6. In the event of default by Trustor, the undersigned may prepay this note in part or in full together with any interest will, as it accrues, be apportioned among calendar months on the basis of a year containing _____ months.

[illegible][illegible][illegible]

The undersigned agrees to pay such additional sum as may be required when due of any principal and interest on this Note immediately upon demand hereof at the time of giving notice.

8. The holder of this Note, to such person at the address of the undersigned or of such person, appearing on the records of date (the "early full payment date") earlier than the final payment date specified at 1 above. The early full payment date shall be given prior to the beginning of the calendar year in which the early full payment date falls; the early full payment date notice may be given prior to the beginning of the calendar year in which the early full payment date falls.

If the holder of this Note should accept payment(s) less than the entire sum of principal and interest on this Note payable status of this Note unless the holder of this Note specifically so states in writing. Nevertheless, the undersigned must be given the early full payment date notice in writing, with the same effect as if it had not been accepted.

Base Index figure: 8.545%

N WITNESS WHEREOF, the undersigned has caused this document to be executed by its officers thereunto duly authorized, and a resolution of its Board of Directors, and a majority of its stockholders, to execute and deliver this Note.

IN WITNESS WHEREOF, the undersigned has caused this note to be executed by its officers thereunto duly authorized and directed by a resolution of its Board of Directors duly passed and adopted by a majority of said Board at a meeting thereof duly called, noticed, and held.

By _____ a corporation

By _____ President
N-367 11-81 (Rev.)

N-367 11-81 (Rev.)

Y Louis T. Hill
Borrower Sign Here
X Louis T. Hill
Borrower Sign Here
Borrower Sign Here
Telephone No. _____
Mortgage No. _____

Telephone No. _____

Borrower Sign Here _____

Mail Address _____

Route 1, Box 657

Klamath Falls, OR 97601

Louis T. Hill
Exhibit "A"

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(e) As of each Change Date the amounts of loan instalments due thereafter will be adjusted to an amount that will evenly amortize the loan at the new interest rate over the remaining term of the loan. (The adjustment calculation will assume no further interest rate changes.)

X Louis T. Hill

X Louis T. Hill

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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: May 1, 2013



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 an organization or (even if mortgagor is a natural person) are for business or commercial purposes other than agricultural purposes.~~

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

That mortgagor is lawfully seized of said premises, and now has a valid and unincumbered fee simple title thereto,

and that he will warrant and defend the same against the claims and demands of all persons whomsoever; That he will pay the said promissory note and all installments of interest thereon promptly as the same become due, according to the tenor of said note;

That so long as this mortgage shall remain in force he will pay all taxes, assessments, and other charges of every nature which may be levied or assessed upon or against the said premises when due and payable, according to law, and before the same become delinquent, and will also pay all taxes which may be levied or assessed on this mortgage or the debt thereby secured, and will promptly pay and satisfy any mechanics' liens or other incumbrances that might by operation of law or otherwise become a lien upon the mortgaged premises superior to the lien of this mortgage;

That he will keep all the improvements erected on said premises in good order and repair and will not commit or suffer any waste of the premises hereby mortgaged. 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 or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the mortgagee.

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

NOW, THEREFORE, if the said mortgagor shall pay said promissory note and shall fully satisfy and comply with the covenants hereinbefore set forth, then this conveyance shall be void, but otherwise to remain in full force and virtue as a mortgage to secure the payment of said promissory note in accordance with the terms thereof and the performance of the covenants and agreements herein contained; it being agreed that any failure to make any of the payments provided for in said note 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 said note, 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. And if the said 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 and any payment so made shall be added to and become a part of the debt secured by this mortgage, and draw interest at the rate of ten per cent per annum, without waiver, however, of any right arising from breach of any of the covenants herein.

In case a complaint is filed in a suit brought to foreclose this mortgage, the court shall, upon motion of the holder of the mortgage, without respect to the condition of the property herein described, appoint a receiver to collect the rents and profits arising out of said premises, and 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.

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

INITIAL

*NOTICE TO BORROWER: THIS DOCUMENT CONTAINS PROVISIONS FOR AN ADJUSTABLE INTEREST RATE.

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In the event of any suit or action being instituted to foreclose this mortgage, the losing party agrees to pay such sum as the trial court may adjudge reasonable as attorney's fees to be allowed the prevailing party in such suit or action and in the event of any appeal, the losing party agrees to pay such sum as the appellate court shall adjudge reasonable as the prevailing party's attorney's fees on such appeal; in any event the mortgagor agrees to pay all reasonable costs incurred by the mortgagee for title reports and title search, all such sums to be secured by the lien of this mortgage and included in the decree of foreclosure.

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 shall be taken to mean and include the plural, the masculine pronoun shall mean 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, the mortgagor has executed this instrument this 2nd day of September 19 83; if a corporate mortgagor, it has caused its name to be signed and seal affixed by its officers, duly authorized thereto by order of its board of directors.

Louis T. Hill
Louis T. Hill

Irene F. Hill
Irene F. Hill

(If executed by a corporation, affix corporate seal)

STATE OF OREGON, County of *Clatsop* ss.

September 7, 1983

Personally appeared the above named *Louis T. Hill and Irene F. Hill*

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

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires *July 26, 1986*

STATE OF OREGON, County of _____ ss.

Personally appeared _____

_____ and each for himself and not one for the other, did say that the former is the president and that the latter is the secretary of _____

and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

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MORTGAGE

TO

AFTER RECORDING RETURN TO

Bank of America NT&SA
P.O. Box 518
Tulelake, CA 96134

STATE OF OREGON,

County of *Klamath* ss.

I certify that the within instrument was received for record on the 13th day of Sept., 19 83, at 11:35 o'clock A.M., and recorded in book M. n83 on page 15733 or as file/reel number 28256.

Record of Mortgages of said County. Witness my hand and seal of County affixed.

Evelyn Biehn County Clerk
By *Bernetha D. Delch* Recording Officer
AD Deputy

SPACE RESERVED
FOR
RECORDER'S USE

Fee: \$24.00