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34983

THIS MORTGAGE, Made this 27th day of March, 1984, by GEORGE THOMAS HORN and JANET SHARRON HORN, husband and wife, hereinafter called Mortgagor, to SOUTH VALLEY STATE BANK, hereinafter called Mortgagee,

WITNESSETH, That said mortgagor, in consideration of Ninety-Five Thousand and No/100 with right of renewals and future advances 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:

See Exhibit "A" attached hereto and made a part hereof

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE SIDE)

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:

Note dated March 27, 1984, in the amount of \$95,000.00  
(See note on reverse)

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: April 10th, 1988.

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.

And said mortgagor 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

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 be hereafter erected on the premises insured in favor of the mortgagee against loss or damage by fire, with extended coverage, in the sum of \$95,000.00.

in a company or companies acceptable to the mortgagee, and will have all policies of insurance on said property made payable to the mortgagee as his interest may appear and 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, if 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; it being agreed that a failure to perform any covenant herein, or if proceedings of any kind be taken to foreclose on any lien on said premises or any part thereof, the mortgagee shall have the option to declare the whole amount unpaid on said note and 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 premium as above provided for, the mortgagee may at his option do so, and any payment so made shall be added to and become a part of the debt secured by this mortgage, and shall bear interest at the same rate as said note without waiver, however, of any right arising to the mortgagee for breach of covenant. And this mortgage may be foreclosed for principal, interest and all sums paid by the mortgagee at any time while the mortgagor neglects to repay any sums so paid by the mortgagee.

In the event of any suit or action being instituted to foreclose this mortgage, the losing party in such suit or action agrees to pay all reasonable costs incurred by the prevailing party therein for title reports and title search, all statutory costs and disbursements and such further sum as the trial court may adjudge reasonable as the prevailing party's attorney's fees in such suit or action, and if an appeal is taken from any judgment or decree entered therein the losing party further promises to pay such sum as the appellate court shall adjudge reasonable as the prevailing party's attorney's fees on such appeal, all such sums to be included in the court's decree. Each and all of the covenants and agreements herein contained shall apply to and bind the heirs, executors, administrators and assigns of said mortgagor 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, first deducting all proper charges and expenses attending the execution of said trust, as the court may direct in its judgment or decree.

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 equivalent; if this instrument is NOT to be a first lien, use S-N Form No. 1306, or equivalent.

STATE OF OREGON, County of Klamath, ss: George Thomas Horn and Janet Sharron Horn, 19

Personally appeared the above named George Thomas Horn and Janet Sharron Horn and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me: [Signature] Notary Public for Oregon

My commission expires: 5/21/85

## MORTGAGE

TO

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

AFTER RECORDING RETURN TO

South Valley State Bank  
P. O. Box 5210  
Klamath Falls, OR 97601

STATE OF OREGON

County of

I certify that the within instrument was received for record on the day of , 19

at o'clock M., and recorded in book on page

or as file number. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

By Title Deputy

The Southwest quarter of the Southeast quarter of Section 6 and the Northwest quarter of the Northeast quarter of Section 7, both in Township 37, South, Range 9 East of the Willamette Meridian, EXCEPTING that certain strip of land fifty feet wide heretofore deeded to the Algoma Lumber Company for a right of way through the southwest quarter of the Southeast quarter of said Section 6. Also, all that portion of the South half of the Northeast quarter of Section 7 in said Township and Range, which lies northerly and westerly of that certain right of way deeded by Ellen and Stephen Herlihy to the Algoma Lumber Company on October 3, 1914, as shown by the deed records of Klamath County, Oregon, in Book 42 at page 557, EXCEPTING THEREFROM those portions conveyed to George Thomas Horn and Janet Horn by Deed recorded April 26, 1962, in Vol. 337 page 115 and recorded January 10, 1967 in Vol. M67, page 216, records of Klamath County, Oregon.

SUBJECT TO: Reservations contained in deed from William Uhrmann and Anna Uhrmann, his wife, to Herbert England and Caroline England, husband and wife, recorded November 27, 1934 in Vol. 100 of Deeds at page 342, records of Klamath County, Oregon; Rights of way for pole line to Pacific Telephone and Telegraph Company recorded August 10, 1928, on page 133 of Vol. 82 of Deeds, records of Klamath County, Oregon; Right of Way recorded September 12, 1952 in Deed Volume 256, records of Klamath County; Easements and rights of way of record and those apparent on the land.

EXCEPTING that portion of that tract of land described in Volume 171, page 86 of Deed Records of Klamath County, Oregon, lying North of the following described line:

BEGINNING at a 5/8" iron rod on the Easterly right-of-way line of Algoma Road (Old Dalles-California Highway), from which the Northeast corner of Section 7, Township 37 South, Range 9 East, Willamette Meridian, Klamath County, Oregon bears North 83°25'56" East, 2619.29 feet; thence South 89°05'36" East, 400.61 feet to a 5/8" iron rod; thence South 38°14'11" East, 102.02 feet to a 5/8" iron rod; thence East, 818.4 feet, more or less, to a point on the Easterly line of the Northwest one-quarter of the North-east one-quarter of Section 7. EXCEPTING therefrom that tract of land described in Volume M-76, page 8749 of Deed Records of Klamath County, Oregon.

EXCEPTING that portion of a parcel of land situate SW1/4 of the SE1/4 of Section 6 and the NW1/4 of the NE1/4 of Section 7 T37S R9 E.W.M. Klamath County, Oregon, More particularly described as thus:

Beginning at Brass Cap to corner of Section 6, 5, 7 and 8 thence South 2218.6 ft.; thence West 934.1 feet to Iron Pin (Survey #1056); thence N36°59'30" West 421.9 feet to 1/2" Iron Pipe. Thence N27°27'07" West 917.7 feet to 1/2" Iron Pin (Survey #1107). Thence N27°27'07" West 164.2 feet to a point; thence N36°42'37" West 581.5 feet to a point; thence N17°42' West 787.8 feet to 5/8" Iron Rebar which is the true point of beginning. Thence northerly along the easterly right of way of Old Highway 97, which is now the County Road, a distance of 330.5 ft. more or less to a 5/8" Iron Rebar; thence N85°59' East 82.1 feet to a 5/8" Iron Rebar; thence S18°07'30" East 361.5 feet to a 5/8" Iron Rebar; thence N87°37'30" West 182.7 feet to a point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH:ss  
I hereby certify that the within instrument was received and filed for record on the 30th day of March A.D., 1984 at 11:39 o'clock A.M., and duly recorded in Vol M84, of Mortgages on page 5069.

Fee: \$ 8.00

EVELYN BIEHN, COUNTY CLERK

by: [Signature] Deputy