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FORM 4161  
PACIFIC POWER & LIGHT  
PPP 27.70.4

'85 OCT 18 PM 12 32

PACIFIC POWER & LIGHT COMPANY  
920 SW Sixth Avenue  
Portland, OR 97204

Vol. 1485 Page 16941

'85 OCT 18 PM 12 32 HOME INSULATION PROMISSORY NOTE AND MORTGAGE  
OREGON - WASHINGTON - MONTANA - IDAHO

Borrowers (Names and Address)

Walter P. Zech and Alma Lee Zech  
3532 Bristol  
Klamath Falls, Oregon 97603

Date: September 27, 1985

Acct. # 136-1927550-3

W.O. # 50078

## DISCLOSURE STATEMENT

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
0 %	\$ 0	\$ 1,557.00	\$ 1,557.00

You have the right to receive at this time an itemization of the Amount Financed. ☐ I want an itemization ☐ I do not want an itemization.

Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments are Due	
1	\$25.95	December 1, 1985	First Instalment Due Date
58	\$25.95	Due on the 1 day of each month.	
1	\$25.95	November 1, 1990	Final Instalment Due Date

Sale or Transfer: If you sell or otherwise transfer your real property, you will have to pay the remaining balance in full.

Prepayment: If you pay off early, you will not have to pay a penalty.

Security Interest: You are giving a security interest in the goods being purchased and your real property.

See your contract document below for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

As consideration for this promissory note, Pacific Power & Light Company ("Pacific") will loan Borrowers the Amount Financed for Borrowers' payment to independent contractors chosen by Borrowers for the purchase of insulation goods or services. The insulation goods or services will be for the following property which Borrowers own or are buying on a recorded contract and which has the following Legal Description: (RENIAL PROPERTY LOCATED at 4206 Bisbee, Klamath Falls, OR) See exhibit: "A" attached hereto:

("Insulated Property"). The proceeds of the loan shall be made payable to the Borrowers upon Pacific's determination that the installed insulation goods and services comply with Pacific's standards.

Each Borrower promises to pay to the order of Pacific at its office at 920 SW 6th Avenue, Portland, Oregon 97204, the Total of Payments. Payment shall be made in monthly instalments beginning on the First Instalment Due Date and continuing on the same day of each succeeding month to and including the Final Instalment Due Date. However all Borrowers shall pay to Pacific the full amount of the balance owing prior to the sale or transfer for consideration of any legal or equitable interest in any part of the Insulated Property, or upon nonpayment of any amount due under any other encumbrance or the Insulated Property.

Borrowers shall notify Pacific in writing of the sale or transfer for consideration of any legal or equitable interest in any part of the Insulated Property, whether it is voluntary or involuntary. Such notice shall be sent as soon as Borrowers know that there will be such sale or transfer, and not later than one week before the expected sale or transfer. The notice must include the name of the Borrowers, the address of the property, the name of the person to whom the property is being sold or transferred, and the name of any person or company who is acting as a closing agent for the sale or transfer or is otherwise participating in the transaction. Borrowers authorize Pacific to contact any of the persons so named and authorize and direct such persons to pay Pacific any obligations owing under this contract from any monies which such persons owe to Borrowers.

Payment may be made in advance in any amount without any penalty.

If any payment is not made on time, the unpaid balance may become due and payable without notice or demand. If this note is given to any attorney for collection, Pacific may recover reasonable costs and attorney's fees at trial and on appeal. In addition, Borrowers shall pay a late charge on any instalment not paid within fifteen days in the amount of four percent of such instalment.

## SECURITY INTEREST AND MORTGAGE

This provision for security interest and mortgage of the insulated property is applicable.

To secure the Borrowers' obligations, Borrowers mortgage to Pacific with the power of sale the Insulated Property together with all present and future appurtenances, improvements, and fixtures thereto. This mortgage shall not take effect until that date which is one day prior to the earliest to occur of the following dates: (1) the date on which any legal or equitable interest in any part of the Insulated Property is transferred; (2) the date on which any legal or equitable interest in any part of the Insulated Property is created which does not exist as of the date of this contract, including without limitation any deed, lien, mortgage, judgment or land sale contract; (3) the date on which any action or suit is filed to foreclose or recover on the Insulated Property or any part thereof for any mortgage, lien, judgment or other encumbrance on the Insulated Property or part thereof which existed prior to the recording date of this contract; (4) 90 days before any insolvency proceeding by or against any Borrower; (5) the due date of this note.

Pacific may record this mortgage in the county real property records, and Borrowers shall execute any other documents deemed necessary by Pacific to perfect this mortgage.

Each Borrower who signs this Promissory Note shall be individually and jointly responsible for performing the obligations of Borrowers herein. This agreement shall be binding upon the successors and assigns of the parties.

**NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

**NOTICE TO BORROWER: (1) DO NOT SIGN THIS PROMISSORY NOTE BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES TO BE FILLED IN. (2) YOU ARE ENTITLED TO A COMPLETELY FILLED IN COPY OF THIS PROMISSORY NOTE. (3) YOU HAVE THE RIGHT TO PAY OFF IN ADVANCE THE FULL AMOUNT DUE AND TO OBTAIN A PARTIAL REFUND OF THE FINANCE CHARGE, IF ANY. (4) IF YOU DESIRE TO PAY OFF IN ADVANCE THE FULL AMOUNT DUE, THE AMOUNT OF THE REFUND YOU ARE ENTITLED TO, IF ANY, WILL BE FURNISHED UPON REQUEST.**

**YOU, THE BORROWER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.**

X Walter P. Zech Jr.  
BORROWERX Alma Lee Zech  
BORROWERSTATE OF OregonCounty of Klamath

) ss.

X September 27, 19 85Personally appeared the above-named Walter P. Zech, Jr. and Alma Lee Zechand acknowledged the foregoing instrument to be their voluntary act and deed.Before me: Echo Shanna Sandall  
Notary Public  
for State of OregonMy Commission  
Expires: 3-4-1989

**BORROWER ACKNOWLEDGES READING AND RECEIVING A COMPLETELY FILLED IN AND EXECUTED COPY OF THIS PROMISSORY NOTE AT THE TIME THE BORROWER SIGNED IT.**

Borrower(s) Initials: X WZ X AZ

16942  
4958

The Easterly 74 feet of the East 138 feet of Lot 1, in Block 3, SECOND ADDITION TO ALTAMONT ACRES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

EXCEPTING THEREFROM the Northerly 5 feet conveyed to Klamath County in Deed Volume 290 on page 608, Deed Records of Klamath County, Oregon.

ALSO EXCEPTING THEREFROM the Easterly 5 feet conveyed to Klamath County for road purposes, in Volume 362 at page 563, Deed Records of Klamath County Oregon.

Subject, however, to the following:

1. Assessments, if any, due to the City of Klamath Falls, for water use.
2. The premises herein described are within and subject to the statutory powers, including the power of assessment, of South Suburban Sanitary District.

3. The premises herein described are within and subject to the statutory powers, including the power of assessment, of Klamath Irrigation District.

4. Reservations and restrictions, including the terms and provisions thereof, recorded February 26, 1932 in Volume 97, page 71, Deed Records of Klamath County, Oregon, Western Cities Company to S. L. Head, to wit:

"Subject to any right-of-way heretofore conveyed to the U. S. Government or to any other governmental body for canals, ditches or laterals for irrigation or drainage purposes. Subject also to any roads, streets and rights-of-way for other purposes now existing. Subject also to operation and maintenance charges and liens for water and drainage of the Klamath Irrigation District. The right is also reserved by the grantor to construct and maintain ditches, canals and pipe lines over, under or across land herein described for the purposes of diverting and delivering water for irrigation and domestic uses to adjoining properties."

5. Agreement, including the terms and provisions thereof, dated July 14, 1977, recorded August 8, 1977 in Volume M77, page 14286, Microfilm Records of Klamath County, Oregon, between Shirley I. Probst and Evelyn C. Probst, husband and wife, Vendor, and Patricia Lillian Stella, James F. Inman, III and Claudette Suzanne Inman, husband and wife, Vendees. Buyers herein do not take the title in common but with the right of survivorship; that is that the fee shall vest in the survivor of the buyers, which Buyer herein does not assume and agree to pay, and Sellers further covenant to and with Buyer that the said prior agreement shall be paid in full prior to, or at the time this contract is fully paid and that said above described real property will be released from the lien of said agreement upon payment of this contract.

STATE OF OREGON: COUNTY OF KLAMATH: ss

I hereby certify that the within instrument was received and filed for record on the 4th day of April A.D., 19 85 at 3:38 o'clock P M, and duly recorded in Vol M85, of Deeds on page 4957.

~~INDEXED~~

EVELYN BIEHN, COUNTY CLERK

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of \_\_\_\_\_ the 18th day of October A.D., 19 85 at 12:32 o'clock P M., and duly recorded in Vol. M85 of Mortgages on Page 16941.

FEE \$9.00

Evelyn Biehn  
By \_\_\_\_\_

County Clerk  
*Pam Smith*