

55221

55576

MTC 15750

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

THIS MORTGAGE, Made this 18th day of November 1985, by Timothy L. Erwin and Lola E. Erwin as tenants by the entirety to SOUTH VALLEY STATE BANK hereinafter called Mortgagor,

WITNESSETH, That said mortgagor, in consideration of Five Thousand 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: Lot 6 in Block 1 of TRACT NO. 1009, YONNA WOODS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

(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:
1 of 3 security documents supporting 2 loans with accumulated totals of \$23,715.92

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: November 30, 1986.
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 \$5,000.00; that he will keep the building and improvements on said premises in good repair and will not commit or suffer have all policies of insurance or 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, it 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 judge 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 may 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 equivalent to the purchase of a dwelling, use S-N Form No. 1305 or No. 1306, or equivalent.
STATE OF OREGON, County of Klamath
I, the undersigned, being a Notary Public for Oregon, do hereby certify that the foregoing instrument was duly executed and acknowledged before me on the 18th day of November, 1985, by Timothy L. Erwin and Lola E. Erwin, and acknowledged the foregoing instrument to be their voluntary act and deed.

Timothy L. Erwin
Lola E. Erwin

Before me: Lynda K. Ogille
My commission expires: 9/12/89
Notary Public for Oregon

MORTGAGE

5,000.00 TO SOUTH VALLEY STATE BANK

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

STATE OF OREGON,
County of Klamath } ss
I certify that the within instrument was received for record on the 18th day of November, 1985, at 10 o'clock A.M., and recorded in book/reel/volume No. on page of said document/fee/tile/instrument/microfilm No. Record of Mortgages of said County. Witness my hand and seal of County affixed.

NAME TITLE
By Deputy

18827

Borrower's Name and Address Timothy L. Erwin Elizabeth L. Erwin Rt. 1, Box 3456 Bonanza, Oregon 97623	Lender's Name and Address SOUTH VALLEY STATE BANK 6216 SOUTH SIXTH STREET KLAMATH FALLS, OREGON 97601	Loan Information Loan Number <u>201821</u> Date <u>November 18</u> 19 <u>85</u> Maturity Date <u>November 30</u> 19 <u>86</u> Loan Amount \$ <u>5,000.00</u> Renewal Of
--	---	---

I promise to pay to you, or your order, at your address listed above the

PRINCIPAL sum of Five thousand and no/100 Dollars \$ 5,000.00☐ Single Advance: I have received all of this principal sum. No additional advances are contemplated under this note.☒ Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. As of today I have received the amount of \$ 5,000.00 and future principal advances are contemplated.Conditions: The conditions for future advances are Request by customer and approval of officer.☒ Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires no later than November 30 19 86.☐ Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).PURPOSE: The purpose of this loan is Operating funds for moving to Klamath Falls and starting Shoe Repair Business.

INTEREST: I agree to pay interest on the principal balance(s) owing from time to time as stated in this section.

☐ Fixed Rate: I agree to pay interest at the fixed, simple rate of _____ % per year.☒ Variable Rate: I agree to pay interest at the initial simple rate of 13.50 % per year. This rate may change as stated below.☒ Index Rate: The future rate will be 4.0% above the following index rate: South Valley State Bank Prime Rate as set periodically by the Board of Directors. The bank will not notify you when prime rate changes.☐ No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.☒ Frequency and Timing: The rate on this note may increase as often as daily. An increase in the index will take effect on date of change.☐ Limitations: The rate on this note will not at any time (and no matter what happens to any index rate used) go above or below these limits:☐ Maximum Rate: The rate will not go above _____☐ Minimum Rate: The rate will not go below _____

Post Maturity Rate: I agree to pay interest on the principal owing after maturity, and until paid in full, as stated below:

☐ on the same fixed or variable rate basis in effect before maturity (as indicated above).☒ at a rate equal to 24.0%☒ ADDITIONAL CHARGES: In addition to interest, I ☐ have paid ☒ agree to pay the following additional charges Loan Fees: \$50.00
Late Charges: 3% of payment due or \$10.00, whichever is greater; Not to exceed \$300.00.

PAYMENTS: I agree to pay this note as follows:

☒ Interest: I agree to pay accrued interest November 30, 1985 and on the 30th day of each month thereafter.☒ Principal: I agree to pay the principal At maturity, November 30, 1986☐ Installments: I agree to pay this note in _____ payments. The first payment will be in the amount of \$ _____ and will be due _____, 19 _____. A payment of \$ _____ will be due on the _____ day of _____ each _____ thereafter. The final payment of the entire unpaid balance of principal and interest will be due _____, 19 _____.
☒ Effect of Variable Rate: An increase in the interest rate will have the following effect on the payments:☐ The amount of each scheduled payment will be increased.☐ The amount of the final payment will be increased.☒ The interest payment will be increased each month

ADDITIONAL TERMS:

☒ SECURITY: This note is secured by: Security Agreement Vehicle, Security Agreement General, and Mortgage dated November 18, 1985☐ If checked, no agreement was signed today securing this note.

(This section is for your internal use. It may not include every agreement or item of collateral securing this note. You will not lose any security by omitting it from this section.)

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON THE OTHER SIDE). I have received a copy on today's date.

*Timothy L. Erwin**Elizabeth L. Erwin*

© 1984 BANKERS SYSTEMS, INC. ST. CLOUD, MN. FORM UN 2/17/84

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the 19th day of November A.D., 19 85 at 4:06 o'clock P M., and duly recorded in Vol. M85 of _____ Mortgages on Page 18826.

FEE \$9.00

Evelyn Biehn, County Clerk
By *Pam Smith*