

65010

MR-116920-P

Vol. 149 Page 14917

THIS MORTGAGE, Made this 19th day of August, 1986, by

LEE BERGSTROM AS TRUSTEE FOR SCHADER CHILDREN'S TRUST
Mortgagor, to SOUTH VALLEY STATE BANK

WITNESSETH, That said mortgagor, in consideration of FIFTY ONE THOUSAND AND NO/100 (\$51,000.00) 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 _____ County, State of Oregon, bounded and described as follows, to-wit:

SEE ATTACHED LEGAL DESCRIPTION

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 promissory note, of which the following is a substantial copy:

SEE ATTACHED COPY OF NOTE

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: August 15, 1990.

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 now on or which hereafter may be created on the said premises continuously insured against loss or damage by fire and such other hazards as the mortgagee may from time to time require, in an amount not less than the original principal sum of the note or obligation secured by this mortgage, in a company or companies acceptable to the mortgagee, with loss payable first to the mortgagee and then to the mortgagor as their respective interests may appear; all policies of insurance shall be delivered to the mortgagee as soon as insured. Now if the mortgagor shall fail for any reason to procure any such insurance and to deliver said policies to the mortgagee at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said premises the mortgagee may procure the same at mortgagor's expense; that he will keep the buildings and improvements on said premises in good repair and will not commit or suffer any waste of said premises. 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.

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.~~

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 a proceeding of any kind be taken to foreclose any lien on said premises or any part thereof, the mortgagee shall have the option to declare the whole amount unpaid on said note or 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 or any lien, encumbrance 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 mortgagor agrees to pay all reasonable costs incurred by the mortgagee for title reports and title search, all statutory costs and disbursements and such further sum as the trial court may adjudge reasonable as plaintiff's attorney's fees in such suit or action, and if an appeal is taken from any judgment or decree entered therein mortgagor further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal, all sums to be secured by the lien of this mortgage and included in the decree of foreclosure.

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, after first deducting all of said receiver's proper charges and expenses, to the payment of the amount due under this mortgage.

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.

Lee Bergstrom

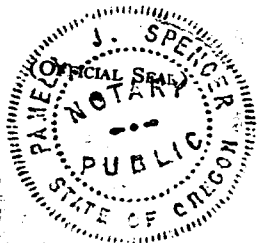
Lee Bergstrom, Trustee for the Schader Children's Trust

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.

STATE OF OREGON,
County of Klamath } ss.

8/19, 1986

Personally appeared the above named Lee Bergstrom, Trustee for the Schader Children's Trust
and acknowledged the foregoing instrument to be his voluntary act and deed.



Before me:
Pamela Spencer
Notary Public for Oregon
My commission expires: 8/16/88

MORTGAGE

(FORM No. 105A)

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

SCHADER TRUST

TO

SOUTH VALLEY STATE BANK

AFTER RECORDING RETURN TO

SOUTH VALLEY STATE BANK

62610

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,
County of _____ } ss.

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ or as document/fee/file/instrument/microfilm No. _____ Record of Mortgages of said County. Witness my hand and seal of County affixed.

NAME _____ TITLE _____
By _____ Deputy

10211

DESCRIPTION

14919

PARCEL 1

Lots 19 and 20, HIGHLAND PARK, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, EXCEPTING THEREFROM those portions conveyed to the State of Oregon, by and through its Department of Transportation Highway Division, by instruments recorded July 12, 1971 in Volume M71, page 7196, and August 24, 1973 in Volume M73, page 11479, Microfilm Records of Klamath County.

PARCEL 2

A parcel of land situate in Lot 1, Section 7, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Starting at a point marked by a two inch iron pipe which is 939 feet South of a one and one-half inch iron pipe which is 30 feet East of the corner common to Sections 1 and 12, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon and Sections 6 and 7, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon; thence North 200 feet to the corner of property heretofore conveyed to Mary L. Moore; thence East along property heretofore conveyed to Mary L. Moore, 576 feet, more or less, to the Westerly side of the lateral of the Enterprise Irrigation District in Lot 1 of said Section 7; thence Southerly and Westerly along the Westerly side of said lateral to a point 231.75 feet East of the West line of said Lot 1; thence Northerly parallel with the West line of said Lot 1, 300 feet; thence Westerly parallel with the Southerly line of said Lot 1, 203.5 feet to the point of beginning.

EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its State Highway Commission for the widening of the Klamath Falls-Lakeview Highway by deed recorded March 17, 1972 in Volume M72, page 2913, Microfilm Records of Klamath County, Oregon.

NOTE

SCHADER CHILDREN'S TRUST C/O CAFOURY, ARNOLD & COMPANY 50 WEST LIBERTY, SUITE #800 RENO, NEVADA 89501 BORROWER'S NAME AND ADDRESS "I" includes each borrower above, jointly and severally.		SOUTH VALLEY STATE BANK 5215 SOUTH SIXTH STREET KLAMATH FALLS, OREGON 97601 LENDER'S NAME AND ADDRESS "You" means the lender, its successors and assigns.	Loan Number _____ Date <u>AUGUST 15</u> , 19 <u>86</u> Maturity Date <u>AUGUST 15</u> , 19 <u>90</u> Loan Amount \$ <u>51,000.00</u> Renewal Of _____
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I promise to pay to you, or to your, at your address listed above the

PRINCIPAL sum of FIFTY ONE THOUSAND AND NO/100 Dollars \$ 51,000.00

☒ Single Advance: I have received all of this principal sum. No additional advances are contemplated under this note.

☐ Multiple Advances: 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 \$ _____ and future principal advances are contemplated.

Conditions: The conditions for future advances are:

☐ 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 express its terms.

☐ 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 the loan is BUY OUT ON COMMERCIAL PROPERTY

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 stated simple rate of 12.00 % 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

DATE AS SET PERIODICALLY BY THE BOARD OF DIRECTORS. THE BANK WILL NOT

JUSTIFY YOU OF ANY CHANGE IN PRIME RATE

☐ 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 SAME DAY AS 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.

☐ Minimum Rate: The rate will not go below _____

☐ Maximum Rate: The rate will not go above _____

Pay at 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 APR

☒ ADDITIONAL CHARGES: In addition to interest, I ☐ have paid ☒ agree to pay the following additional charges LOAN FEE: \$765.00

LATE CHARGES: 3% OF PAYMENT DUE OR \$10.00, WHICHEVER IS GREATER. TITLE INS: \$293.00

PAYMENTS: I agree to pay this note as follows:

☐ Interest: I agree to pay acct and interest

☐ Principal: I agree to pay the principal

☒ Installments: I agree to pay this note in 48 payments. The first payment will be in the amount of \$ 750.00

and will be due SEPT. 15, 1986. A payment of \$ 750.00 will be due on the 15TH day of each MONTH thereafter. The final payment of the entire unpaid balance of principal and interest will be due AUGUST 15, 1990

☒ 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 my final payment will be increased

☐

ADDITIONAL TERMS:

A BALLOON PAYMENT OF APPROX. \$37,050.00 WILL BE DUE AT MATURITY OF AUGUST 15, 1990.

☒ SECURITY: This note is secured by MORTGAGE DATED
AUGUST 15, 1986 EXECUTED BY RICHARD AND ROBIN
SCHADER

☐ I checked, no agreement was signed today securing this note.

(This section is for your internal use. It may not include every agreement or term of collateral security for 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.

SCHADER CHILDREN'S TRUST
 BY: [Signature] TRUSTEE

14920

14920

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the _____ 20th day
of August A.D., 19 86 at 9:42 o'clock A M., and duly recorded in Vol. M86
of Mortgages on Page 14917

FEE \$17.00

Evelyn Biehn, County Clerk
By Ann Smith

... of the County of Klamath, State of Oregon, do hereby certify that the foregoing is a true and correct copy of the original as the same appears from the records of the County of Klamath, State of Oregon, and that the same has been duly recorded in the public records of the County of Klamath, State of Oregon, in Volume M86, on Page 14917.

WITNESSES MY HAND AND SEAL OF OFFICE this 20th day of August, 1986.

... of the County of Klamath, State of Oregon, do hereby certify that the foregoing is a true and correct copy of the original as the same appears from the records of the County of Klamath, State of Oregon, and that the same has been duly recorded in the public records of the County of Klamath, State of Oregon, in Volume M86, on Page 14917.

... of the County of Klamath, State of Oregon, do hereby certify that the foregoing is a true and correct copy of the original as the same appears from the records of the County of Klamath, State of Oregon, and that the same has been duly recorded in the public records of the County of Klamath, State of Oregon, in Volume M86, on Page 14917.