

TN

68895

K-39170

LBS: 28'00

Vol. 149

Page

22295



THIS MORTGAGE, Made this 28th day of November, 1986, by  
Robert L. Cheyne and Kelly Glenda R. Cheyne  
as tenants by the entirety  
Mortgagor, to South Valley State Bank

WITNESSETH, That said mortgagor, in consideration of One Hundred Thirty Thousand  
and No/100 Dollars,  
to him paid by said mortgagee, does hereby grant, bargain, sell and convey unto said mortgagee, his heirs, ex-  
ecutors, administrators and assigns, that certain real property situated in Klamath County,  
State of Oregon, bounded and described as follows, to-wit:  
SE 1/4 SE 1/4 Section 12 Township 40 South, Range 9 E.W.M.

SW 1/4 SW 1/4 of Section 7 Township 40 South, Range 10 E.W.M., EXCEPT that portion thereof  
lying on the Northeasterly side of the Klamath Falls-Malin Section of The Dalles-  
California Highway.

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:

The date of maturity of the debt secured by this mortgage is the date on which the last scheduled principal payment be-  
comes due, to-wit: April 1, 1997

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 pay-  
able 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 hereafter may be erected 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 mort-  
gagee and then to the mortgagor as their respective interests may appear; all policies of insurance shall be delivered to the mort-  
gagee 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 buildings,  
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 satis-  
factory 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.

DEC 3 1986  
PM 3 06

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 agricultural purpose, if the mortgagor is a farmer, rancher, or other person engaged in agriculture, and the proceeds are to be used for 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.

*Robert L. Cheyne*  
Robert L. Cheyne

Kelly Glenda R. Cheyne

*Kelly Glenda R. Cheyne*

**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,

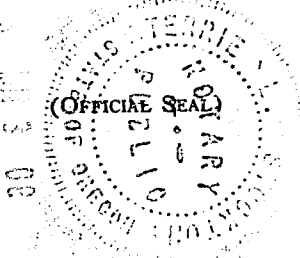
County of Klamath

ss.

November 28, 1986

Personally appeared the above named Robert L. Cheyne and Kelly Glenda R. Cheyne

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



Before me:

*Terrie L. Storch*  
Notary Public for Oregon  
My commission expires: 3-14-87

# MORTGAGE

(FORM No. 105A)

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

TO

SPACE RESERVED  
FOR  
RECORDER'S USE

AFTER RECORDING RETURN TO

South Valley State Bank  
5215 South Sixth Street  
Klamath Falls, Or 97603

Fee: \$9.00

STATE OF OREGON,

County of Klamath

ss.

I certify that the within instrument was received for record on the 3rd day of December, 1986, at 3:06 o'clock P.M., and recorded in book/reel/volume No. M86 on page 22295 or as document fee file/instrument/microfilm No. 68895, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk  
NAME TITLE

By *Pam Smith* Deputy