

75780

MTC-1386-1107

Vol. 1787 Page 10397

THIS MORTGAGE, Made this 11th day of June, 1987, by
 JERRY STONE and SHIRLEY STONE, husband and wife

Mortgagor, to HERBERT A. PAYNE and BETTY L. PAYNE, husband and wife, or the SURVIVOR

WITNESSETH, That said mortgagor, in consideration of FIFTY THOUSAND and 00/100—

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:

NE1/4 SW1/4, SE1/4 NW1/4 and Lots 2 and 3 of
 Section 30, Township 39 South, Range 12, East of
 the Willamette Meridian, ALSO, Beginning at the
 quarter Section corner between and common to
 Sections 19 and 30 of Township 39 South, Range 12,
 East of the Willamette Meridian, Oregon; thence
 East 682 feet, thence South 20°15' East 1670 feet;
 thence South 20° West 790 feet; thence North 45°
 West 1400 feet; thence North 1320 feet to the
 place of beginning.

ALSO, a portion of the SW1/4 NE1/4 of Section
 30, Township 39 South, Range 12 East Willamette
 Meridian, described as follows: A parcel of land
 lying West of a line drawn from the Northwest
 corner of the SW1/4 NE1/4 of said Section 30,
 Township 39 South, Range 12 East of the Willamette
 Meridian diagonally across said forty until said
 line reaches the Southeast corner of said SW1/4
 NE1/4 of said Section 30.

SAVING AND EXCEPTING from above described
 parcels that portion which lies Northerly and
 Easterly of Teare Road.

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:

AS SET FORTH ON EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

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: June 12, 1992

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.

103388

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, L.I. 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.

Jerry Stone
 JERRY STONE
Shirley Stone
 SHIRLEY STONE

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 Jackson

SS.

June 11, 1987

Personally appeared the above named Jerry Stone and Shirley Stone

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

(OFFICIAL SEAL)

Before me:

Ruth Richie
 Notary Public for Oregon

My commission expires: 6/21/88

MORTGAGE

(FORM No. 186A)

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

Herbert A. Payne and
 Betty L. Payne

TO

Jerry Stone
 Shirley Stone

AFTER RECORDING RETURN TO

Crater Title Insurance Co.,
 604 W. Main
 Medford, OR 97501
 Ruth Richie (67062)

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/tee/file/instrument/microfilm No. _____, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

NAME _____ TITLE _____
 By _____ Deputy

10399

PROMISSORY NOTE

\$ 50,000.00 MEDFORD, OREGON, June 11, 19 87
 Each of the undersigned promises to pay to the order of _____
HERBERT A. PAYNE and BETTY L. PAYNE, husband and wife, OR THE SURVIVOR
 at PLACE DESIGNATED BY HOLDER

FIFTY THOUSAND and 00/100 DOLLARS
 with interest thereon at the rate of 10.5 percent per annum from
June 12, 1987 until paid, payable in Monthly

installments of not less than \$INTEREST ONLY **SEE BELOW in any one payment;
 interest shall be paid Monthly and ~~the minimum payments above required~~ *is ~~included~~
 in the minimum payments above required; the first payment to be made on
 the 12th day of July, 1987, and a like payment on
 the 12th day of each month**SEE BELOW thereafter, until the whole sum,
 principal and interest has been paid; if any of said installments is not
 so paid, the whole sum of both principal and interest to become
 immediately due and collectible at the option of the holder of this
 note. If this note is placed in the hands of any attorney for
 collection, each of the undersigned promises and agrees to pay the
 reasonable collection costs of the holder hereof; and if suit or action
 is filed hereon, also promises to pay (1) holder's reasonable attorney's
 fees to be fixed by the trial court and (2) if any appeal is taken from
 any decision of the trial court, such further sum as may be fixed by the
 appellate court, as the holder's reasonable attorney's fees in the
 appellate court.

This note is secured by a trust deed on real property in Klamath
County, Oregon and subsequent matters of public record may affect the
 security, identity of the holder, or other terms hereof. So long as the
 trust deed remains as security for this note, any transaction relating
 to this note or the trust deed must be recorded in the above county in
 order to be effective as to the trustee.
 Due June 12, 1992 ** SEE BELOW

AT _____ /s/ JERRY STONE
 _____ JERRY STONE
 _____ /s/ SHIRLEY STONE
 NO. _____ SHIRLEY STONE

**BORROWER SHALL PAY MONTHLY INSTALLMENTS OF INTEREST ONLY FOR A PERIOD OF TWO YEARS
 (THROUGH AND INCLUDING JUNE 12, 1989) BEGINNING WITH THE JULY 12, 1989 PAYMENT AND
 ON OR BEFORE JULY 12 OF EACH YEAR THEREAFTER A PRINCIPAL REDUCTION PAYMENT OF NOT LESS
 THAN \$5,000.00 SHALL BE DUE AND PAYABLE. THIS NOTE IS DUE AND PAYABLE IN FULL ON OR BEFORE
 JUNE 12, 1992; HOWEVER, BY AGREEMENT OF ALL PARTIES SAID NOTE MAY BE EXTENDED.

NO PREPAYMENT PENALTY; HOWEVER, IF THIS NOTE IS TO BE PAID IN FULL BORROWER MUST GIVE A
 90 DAY NOTICE TO LENDER AND LENDER HAS OPTION TO CALL ENTIRE BALANCE DUE AND PAYABLE IN
 FULL AT ANY TIME WITH A 90 DAY NOTICE TO BORROWER.

ACKNOWLEDGED:

/s/ HERBERT A. PAYNE
 HERBERT A. PAYNE

/s/ BETTY L. PAYNE
 BETTY L. PAYNE

/s/ JERRY STONE
 JERRY STONE

/s/ SHIRLEY STONE
 SHIRLEY STONE

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Company the 16th day
 of June A.D. 19 87 at 1:15 o'clock P M., and duly recorded in Vol. 407
 of Mortgages on Page 10397

FEE \$13.00

EVELYN STEHN County Clerk
 By Bernie Th...