

TC 91589

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THIS INDENTURE, Made this 6TH day of SEPTEMBER, 1988,  
 between O. C. WEBB-BOWEN, INC.  
 as mortgagor, and SOUTH VALLEY STATE BANK  
 as mortgagee,

WITNESSETH, That the said mortgagor for and in consideration of the sum of ONE HUNDRED SEVENTY FIVE THOUSAND AND NO/100 Dollars (\$175,000.00) to him paid by the said mortgagee, does hereby grant, bargain, sell and convey unto the said mortgagee, his successors and assigns, those certain premises situated in the County of KLAMATH, and State of Oregon, and described as follows:

LOTS 10, 11 AND 12, BLOCK 208 MILLS SECOND ADDITION TO THE CITY OF KLAMATH FALLS, OREGON ACCORDING TO THE DULY RECORDED PLAT THEREOF, SAVING AND EXCEPTING THAT PORTION CONVEYED TO THE STATE OF OREGON BY DEED DATED JULY 15, 1943 AND RECORDED IN BOOK 157 AT PAGE 107 OF DEED RECORDS OF KLAMATH COUNTY, OREGON.

following is approximately a true copy to wit:  
 (\$175,000.00) in accordance with the terms of  
 ONE HUNDRED SEVENTY FIVE THOUSAND AND NO/100  
 THIS COMPLEYANCE is intended as a mortgage to secure the payment of the sum of  
 certain and certain interest

TO HAVE AND TO HOLD the said business with the aforementioned sum and the said mortgagee the sum  
 during the term of the mortgage  
 from and out and all profits upon and business of the time of the execution of the mortgage or at such time  
 and after the said mortgagee shall have received the sum of the said mortgage and the said sum and the said  
 together with all and sufficient the payments, requirements and obligations, payments, requirements and

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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 successors and assigns forever.

THIS CONVEYANCE is intended as a mortgage to secure the payment of the sum of ..... Dollars  
ONE HUNDRED SEVENTY FIVE THOUSAND AND NO/100 ..... certain promissory note of which the  
(\$175,000.00) in accordance with the terms of .....  
following is substantially a true copy, to-wit:

O. C. WEBB-BOWEN, INC.  
P.O. BOX 1600  
KLAMATH FALLS, OR 97601

SOUTH VALLEY STATE BANK  
801 MAIN STREET  
KLAMATH FALLS, OR 97601

Loan Number 300679  
Date SEPTEMBER 6 1988  
Maturity Date SEPTEMBER 1 1993  
Loan Amount \$ 175,000.00  
Renewal Of

BORROWER'S NAME AND ADDRESS  
"I" includes each borrower above, jointly and severally.

LENDER'S NAME AND ADDRESS  
"You" means the lender, its successors and assigns.

Dollars \$ 175,000.00

I promise to pay to you, or your order, at your address listed above the  
PRINCIPAL sum of ONE HUNDRED SEVENTY FIVE THOUSAND AND NO/100 .....  
☐ Single Advance: I have received all of this principal sum. No additional advances are contemplated under this note. As of today I have received  
☒ 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 \$ ..... and future principal advances are contemplated.

Conditions: The conditions for future advances are UPON REQUEST OF CUSTOMER AND APPROVAL OF LOAN OFFICER.  
HOWEVER, THE BANK IS NOT OBLIGATED TO LOAN MONEY OR ADVANCE FUNDS UNDER  
THIS LOAN REGARDLESS OF THE CREDIT-WORTHINESS OF BORROWER.

☐ 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 .....  
☒ 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 BUSINESS TO REBUILD SERVICE STATION AT 2135 S. 6TH  
INTEREST: I agree to pay interest (calculated on a ACTUAL/365 basis) on the principal balance(s) owing from time to time as stated below.  
☐ Fixed Rate: I agree to pay interest at the fixed, simple rate of 12.000 % per year. This rate may change as stated below.  
☒ Variable Rate: I agree to pay interest at the initial simple rate of 2.000% OVER the following index rate:  
SVSB PRIME RATE AS SET PERIODICALLY BY THE BOARD OF DIRECTORS

☐ 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 interest rate will take effect ON THE SAME DAY  
☒ Limitations: The rate on this note will not go above 24.0%  
☐ Maximum Rate: The rate will not go below .....  
☐ Minimum Rate: The rate will not go below .....  
Post Maturity Rate: I agree to pay interest on the unpaid balance of this note 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 \$3,500.00; LATE CHARGE 3% OF PAYMENT DUE OR \$10.00, THE GREATER  
PAYMENTS: I agree to pay this note as follows: OCTOBER 1, 1988, NOVEMBER 1, 1988 AND DECEMBER 1, 1988, THEN\*  
☒ Interest: I agree to pay accrued interest \*SEE PAYMENT STRUCTURE BELOW

☐ Principal: I agree to pay the principal .....  
☒ Installments: I agree to pay this note in 57 payments. The first payment will be in the amount of \$ 2,125.00  
and will be due JANUARY 1, 1989. A payment of \$ 2,125.00 will be due on the 1ST day of  
each MONTH SEPTEMBER 1, 1993 thereafter. The final payment of the entire unpaid balance of  
principal and interest will be due SEPTEMBER 1, 1993  
☒ 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.

ADDITIONAL TERMS: BANK WILL NOT NOTIFY YOU OF PRIME RATE CHANGE.

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE  
ON THE OTHER SIDE). I have received a copy on today's date.  
O. C. WEBB-BOWEN, INC.

BY: O. C. WEBB-BOWEN, PRESIDENT

SECURITY: This note is secured by: ASSIGNMENT OF LEASE  
ON 2135 S. 6TH ST., SECURITY INTEREST IN  
BUILDING AND IMPROVEMENTS

☐ 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.)

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: SEPTEMBER 1, 1993

LOAN NO. 2-405105000

The mortgagor warrants that the proceeds of the loan represented by the above described note and this mortgage are:

(b) for an organization or (even if mortgagor is a natural person) are for business or commercial purposes other than agricultural purposes.

This indenture is further conditioned upon the faithful observance by the mortgagor of the following covenants hereby expressly entered into by the mortgagor, to-wit:

That mortgagor is lawfully seized of said premises, and now has a valid and unincumbered fee simple title thereto,

O' C' MEBB-BOWEN, INC.

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and that he will warrant and defend the same against the claims and demands of all persons whomsoever; That he will pay the said promissory note and all installments of interest thereon promptly as the same become due, according to the tenor of said note;

That so long as this mortgage shall remain in force he will pay all taxes, assessments, and other charges of every nature which may be levied or assessed upon or against the said premises when due and payable according to law, and before the same become delinquent, and will also pay all taxes which may be levied or assessed on this mortgage or the debt thereby secured, and will promptly pay and satisfy any mechanics' liens or other incumbrances that might by operation of law or otherwise become a lien upon the mortgaged premises superior to the lien of this mortgage;

That he will keep all the improvements erected on said premises in good order and repair and will not commit or suffer any waste of the premises hereby mortgaged. 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.

That so long as this mortgage shall remain in force he will keep the buildings now erected, or any which may hereafter be erected on said premises insured against loss or damage by fire, with extended coverage, to the extent of \$ in some company or companies acceptable to said mortgagee and for the benefit of both parties hereto as their interests may appear, and will deliver all the policies and renewals thereof to said mortgagee.

NOW, THEREFORE, if the said mortgagor shall pay said promissory note and shall fully satisfy and comply with the covenants hereinbefore set forth, then this conveyance shall be void, but otherwise to remain in full force and virtue as a mortgage to secure the payment of said promissory note in accordance with the terms thereof and the performance of the covenants and agreements herein contained; it being agreed that any failure to make any of the payments provided for in said note or this mortgage when the same shall become due or payable, or to perform any agreement herein contained, shall give to the mortgagee the option to declare the whole amount due on said note, or unpaid thereon or on this mortgage, at once due and payable and this mortgage by reason thereof may be foreclosed at any time thereafter. And if the said mortgagor shall fail to pay any taxes or other charges or any lien or insurance premium as herein provided to be done, the mortgagee shall have the option to pay the same and any payment so made shall be added to and become a part of the debt secured by this mortgage, and draw interest at the rate of ten per cent per annum, without waiver, however, of any right arising from breach of any of the covenants herein.

In case a complaint is filed in a suit brought to foreclose this mortgage, the court shall, upon motion of the holder of the mortgage, without respect to the condition of the property herein described, appoint a receiver to collect the rents and profits arising out of said premises, and apply such rents and profits to the payment and satisfaction of the amount due under this mortgage, first deducting all proper charges and expenses of the receivership.

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.

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 SHALL BE TAKEN TO MEAN AND INCLUDE THE PLURAL, THE MASCULINE PRONOUN SHALL MEAN 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, the mortgagor has executed this instrument this 6TH day of SEPTEMBER, 1988, if a corporate mortgagor, it has caused its name to be signed and seal affixed by its officers, duly authorized thereto by order of its board of directors.

[illegible]

to said mortgagee.  
 benefit of both parties hereto as their interests may appear, and may deliver on the premises and tenements interest  
 the extent of 2 in some community or commonwealth, to the said mortgagee, to the said mortgagee, to the said mortgagee,  
 may, nevertheless be created on said premises without any loss or damage to the said mortgagee, to the said mortgagee, to the said mortgagee,  
 (If executed by a corporation, as the mortgagee shall require in force, he may keep the mortgagee from being created as such, which  
 affix corporate seal) certificate of the mortgagee.

[illegible]

(OFFICIAL SEAL) *Jeffrey S. Bradford* Before me: \_\_\_\_\_ (OFFICIAL SEAL)  
 I, Notary Public for Oregon, do hereby certify that \_\_\_\_\_  
 My commission expires 6/12/92 My commission expires \_\_\_\_\_

# MORTGAGE

O. C. WEBB-BOWEN, INC.

THE FOLLOWING TO BE PAID TO ORDER OF THE  
SOUTH VALLEY STATE BANK THE PROCEEDS OF  
THIS WARRANT IS TO BE PAID TO THE ORDER OF  
THE BANK OF THE SOUTH VALLEY STATE BANK

(P) 1 AFTER RECORDING RETURN TO 11 001013301  
SOUTH VALLEY STATE BANK  
5215 SOUTH SIXTH STREET  
KLAMATH FALLS, OR 97603

STATE OF OREGON,  
County of Klamath } ss.

I certify that the within instrument was received for record on the 19th day of Sept., 1988, at 10:57 o'clock A.M., and recorded in book/reel/volume No. 88 on page 15408 or as document/fee/instrument/microfilm No. 91589. Record of Mortgages of said County.

Witness my hand and seal of  
County affixed.

Evelyn Biehn, County Clerk.

NAME \_\_\_\_\_ TITLE \_\_\_\_\_  
By Quinn Mullins Deputy

**Fee \$23.00**