

ON **25340** Vol. **1864** Page **1864**
 THIS MORTGAGE, Made this **11th** day of **JANUARY**, 19**91**,
 by **HOWARD E. MCGEE, JR.**
 to **SOUTH VALLEY STATE BANK** hereinafter called Mortgagor,

WITNESSETH, That said mortgagor, in consideration of **---FIFTEEN THOUSAND FIFTY FOUR AND 25/100---** Dollars, to mortgagor paid by said mortgagee, does hereby grant, bargain, sell and convey unto said mortgagee, mortgagee's heirs, executors, administrators and assigns, that certain real property situated in **KLAMATH** County, State of Oregon, bounded and described as follows, to-wit:
 SEE LEGAL DESCRIPTION ON THE REVERSE SIDE OF THIS DOCUMENT

(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, mortgagee's heirs, executors, administrators and assigns forever.

This mortgage is intended to secure the payment of a certain promissory note, described as follows:

LOAN NO. 204447 IN THE AMOUNT OF \$15,054.25 DATED JANUARY 11, 1991, MATURING JANUARY 15, 1994.

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: **JANUARY 15, 1994** WITH RIGHTS TO FUTURE ADVANCES AND RENEWALS

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. And said mortgagor covenants to and with the mortgagee, mortgagee's heirs, executors, administrators and assigns, that mortgagor 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 mortgagor will pay said note, principal and interest according to the terms thereof; that while any part of said note remains unpaid mortgagor 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 mortgagor 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 mortgagor 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 \$ **IN FULL**

in a company or companies acceptable to the mortgagee, and will have all policies of insurance on said property made payable to the mortgagee as mortgagee's interest may appear and will deliver all policies of insurance on said premises to the mortgagee as soon as insured; that mortgagor 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, if said mortgagor 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, time being of the essence with respect to such payment and/or performance, and this mortgage may be foreclosed at any time thereafter. And if the mortgagee shall fail to pay any taxes or charges of any lien, encumbrances or insurance premium as above provided for, the mortgagee may at mortgagee's 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 adjudge 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 the 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 includes the plural, and all grammatical changes shall be made so that this mortgage shall 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 use S-N Form No. 1319, or equivalent.

STATE OF OREGON,

County of **KLAMATH** } SS:

This instrument was acknowledged before me on **JANUARY 18**, 19**91**,

by **HOWARD E. MCGEE, JR.**

(SEAL)  OFFICIAL SEAL
 NOTARY PUBLIC - OREGON
 COMMISSION NO. 216878
 MY COMMISSION EXPIRES AUG. 6, 1993

Howard E. McGee, Jr.
 Notary Public for Oregon
 My commission expires **8-6-93**

MORTGAGE

HOWARD E. MCGEE, JR.

TO

SOUTH VALLEY STATE BANK

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

AFTER RECORDING RETURN TO

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

STATE OF OREGON, } SS.
 County of _____

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 fee/file/instrument/microfilm/reception No. _____, Record of Mortgage of said County.

Witness my hand and seal of County affixed.

NAME _____ TITLE _____
 By _____ Deputy

1865

LEGAL DESCRIPTION:

A TRACT OF LAND BEING A PORTION OF LOT 1, HOMEDALE, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHEASTERLY LINE OF WALTON DRIVE WHICH BEARS NORTH 43 DEGREES 30' WEST A DISTANCE OF 236.2 FEET FROM THE IRON PIN MARKING THE SOUTHEASTERLY CORNER OF SAID LOT 1, HOMEDALE; THENCE NORTH 41 DEGREES 39' EAST A DISTANCE OF 95.8 FEET TO A POINT; THENCE SOUTH 66 DEGREES 49' EAST A DISTANCE OF 202.1 FEET TO AN IRON PIN; THENCE SOUTH 28 DEGREES 58' WEST A DISTANCE OF 175.8 FEET TO AN IRON PIN ON THE NORTHEASTERLY LINE OF WALTON DRIVE; THENCE NORTH 43 DEGREES 30' WEST ALONG SAID NORTHEASTERLY LINE A DISTANCE OF 230.0 FEET, MORE OR LESS TO THE POINT OF BEGINNING.

TAX ACCOUNT NO. 3909 011AB 01500

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of S. Valley State Bank the 30th day of Jan A.D., 19 91 at 12:05 o'clock P.M., and duly recorded in Vol. M91 of Mortgages on Page 1864.

Evelyn Biehn, County Clerk

FEE \$13.00

By Pauline Mullen