

ON 27147

13TH

day of

MARCH

1991

THIS MORTGAGE Made this LESTER J. HINTON AND PAULA S. HINTON AKA PAULA HINTON, AS TENANTS

by BY THE ENTIRETY

hereinafter called Mortgagor,

to SOUTH VALLEY STATE BANK

hereinafter called Mortgagee,

WITNESSETH, That said mortgagor, in consideration of --FIFTY THOUSAND AND 00/100-- (\$50,000.00) 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 REVERSE SIDE OF DOCUMENT FOR LEGAL DESCRIPTION.

(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:

A PROMISSORY NOTE 204506 IN THE AMOUNT OF \$50,000.00 TO LESTER J. HINTON AND PAULA S. HINTON MATURING DECEMBER 20, 1991.

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: DECEMBER 20, 1991 WITH RIGHTS TO RENEWALS AND FUTURE ADVANCES.

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 or household purposes (see Important Notice below).

(b) for the purchase, construction, improvement, repair or maintenance of real property, or for the refinancing of such property, or for the payment of 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 \$

FULL AMOUNT.

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 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; if 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 mortgagor 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 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 MARCH 18, 1991,

by LESTER J. HINTON AND PAULA S. HINTON AKA PAULA HINTON.

(SEAL)



OFFICIAL SEAL
MANDY RUTLEDGE
NOTARY PUBLIC - OREGON
COMMISSION NO. 218078
MY COMMISSION EXPIRES AUG. 6, 1993

Notary Public for Oregon

My commission expires

8-6-93

MORTGAGE

LESTER J. AND PAULA S. HINTON

TO

SOUTH VALLEY STATE BANK

AFTER RECORDING RETURN TO

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

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

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

Witness my hand and seal of County affixed.

NAME

TITLE

By _____ Deputy

PARCEL 1:

THE E 1/2 SE 1/4 AND SE 1/4 NE 1/4 OF SECTION 4, TOWNSHIP 40 SOUTH, RANGE 8 EAST OF THE WILLAMETTE MERIDIAN, EXCEPT THAT PORTION DEEDED IN BOOK M71 AT PAGE 8692, MICROFILM RECORDS OF KLAMATH COUNTY, OREGON, RECORDED AUGUST 18, 1971.

TAX ACCOUNT NO.: 4008 00000 00900

PARCEL 2:

A TRACT OF LAND SITUATED IN THE NE 1/4 SE 1/4 OF SECTION 4, TOWNSHIP 40 SOUTH, RANGE 8 EAST OF THE WILLAMETTE MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST RIGHT OF WAY LINE OF THE COUNTY ROAD, SAID POINT BEING SOUTH A DISTANCE OF 2794 FEET AND WEST A DISTANCE OF 30 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 4 (SAID SECTION CORNER BEING LOCATED BY THE INTERSECTION OF THE COUNTY ROAD AND FENCE LINES EXTENDING EAST AND WEST); THENCE WESTERLY AT RIGHT ANGLES TO THE EAST LINE OF SAID SECTION 4 A DISTANCE OF 208.71 FEET; THENCE SOUTHERLY PARALLEL WITH THE EAST LINE OF SAID SECTION 4 A DISTANCE OF 208.71 FEET; THENCE EASTERLY AT RIGHT ANGLES TO THE EAST LINE OF SAID SECTION 4 A DISTANCE OF 208.71 FEET TO THE WEST RIGHT OF WAY LINE OF THE COUNTY ROAD; THENCE NORTHERLY ALONG SAID LINE A DISTANCE OF 208.71 FEET TO THE POINT OF BEGINNING.

TAX ACCOUNT NO: 4008 00000 01000

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of S. Valley State Bank the 20th day
of March A.D., 19 91 at 11:50 o'clock A.M., and duly recorded in Vol. M91
of Mortgages on Page 4962.

FEE \$13.00

Evelyn Biehn County Clerk

By Orlene Muelenders