

ON **27543**Vol. **197** Page **5616**

THIS MORTGAGE, Made this 26TH day of MARCH, 19 91,  
 by ORVILLE R. SCHROEDER AND JEWELL V. SCHROEDER  
 to SOUTH VALLEY STATE BANK hereinafter called Mortgagor,

hereinafter called Mortgagee,  
 WITNESSETH, That said mortgagor, in consideration of ONE THOUSAND TWO HUNDRED FIFTY AND 00/100  
(\$1,250.00) 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 ATTACHED EXHIBIT "A" BY THIS REFERENCE MADE A PART HERETO

(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:

PROMISSORY NOTE # 204524 DATED MARCH 26, 1991 WITH A MATURITY DATE OF MARCH  
 31, 1992 AND GRANTED TO ORVILLE R. SCHROEDER AND JEWELL V. SCHROEDER

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:  
MARCH 31, 1992. WITH RIGHTS TO FUTURE ADVANCES AND RENEWALS.

*ORS* 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 \$ the 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, it 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 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, how-  
 ever, 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, administra-  
 tors 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 dis-  
 closures; for this purpose use S-N Form No. 1319, or equivalent.

STATE OF OREGON,

County of Klamath } SS:

Orville R. Schroeder  
 ORVILLE R. SCHROEDER  
Jewell V. Schroeder  
 JEWELL V. SCHROEDER

This instrument was acknowledged before me on March 27, 19 91,

by ors  Schroeder  
 OFFICIAL SEAL  
 TERRIE L. WINCHESS  
 NOTARY PUBLIC-OREGON  
 COMMISSION NO. 003699  
 MY COMMISSION EXPIRES FEB. 12, 1995

(SEAL)

Terrie L. Winchess  
 Notary Public for Oregon  
 My commission expires 2-12-95

## MORTGAGE

ORVILLE R. SCHROEDER

JEWELL V. SCHROEDER

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 KLAMATH } SS.

I certify that the within instru-  
 ment was received for record on the  
27 day of MARCH, 19 91,  
 at 10 o'clock AM, and recorded  
 in book/reel/volume No. 197 on  
 page 5616 or as fee/file/instrument/  
 microfilm/reception No. 197-5616,  
 Record of Mortgage of said County.

Witness my hand and seal of  
 County affixed.

By Terrie L. Winchess Deputy

EXHIBIT A  
ORVILLE R. AND JEWELL V. SCHROEDER

*Orville R. Schroeder*

IN TOWNSHIP 40 SOUTH, RANGE 13 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF KLAMATH STATE OF OREGON.

SECTION 23: NW1/4, E1/2SW1/4, E1/2E1/2W1/2SW1/4

SECTION 22: E1/2 NE1/4 EXCEPT THAT PORTION OF THE SE1/4NE1/4, SECTION 22, WEST OF A LINE WHICH INTERSECTS THE NORTH BOUNDARY OF SAID SE1/4NE1/4 275 FEET EASTERLY FROM THE NORTHEAST 1/16TH CORNER OF SAID SECTION 22; THENCE SOUTH-EASTERLY INTERSECTING THE SOUTH BOUNDARY OF SAID SE1/4NE1/4 275 FEET WESTERLY OF THE 1/4 SECTION CORNER COMMON TO SECTIONS 22 AND 23.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of S. Valley State Bank the 29th day  
of March A.D., 19 91 at 12:29 o'clock P.M., and duly recorded in Vol. M91,  
of Mortgages on Page 5616.

Evelyn Biehn County Clerk

FEE \$13.00

By *Pauline Muelendore*