

ON

36932

Vol. 191 Page 23100

THIS MORTGAGE, Made this 24TH day of SEPTEMBER, 1991,
by SEE ATTACHED EXHIBIT "A" FOR VESTING

hereinafter called Mortgagor,
to SOUTH VALLEY STATE BANK

hereinafter called Mortgagee,
WITNESSETH, That said mortgagor, in consideration of -----THREE HUNDRED EIGHTY FIVE THOUSAND (\$385,000.00)----- 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: SW1/4 SW1/4 OF SECTION 7, TOWNSHIP 40 SOUTH, RANGE 10 E.W.M., EXCEPTING THAT PORTION THEREOF LYING ON THE NORTHEASTERLY SIDE OF THE KLAMATH FALLS-MALIN SECTION OF THE DALLES-CALIFORNIA HIGHWAY. EXCEPT THAT PORTION LYING WITHIN THE RAILROAD RIGHT OF WAY.

(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:

THIS MORTGAGE IS GIVEN TO SECURE TWO PROMISSORY NOTES DATED SEPTEMBER 24, 1991 ON BEHALF OF ROBERT E CHEYNE AND HELEN J CHEYNE TO SECURE THE BENEFICIARY UNDER LOAN NO. 301472 AND LOAN NO. 301475

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: OCTOBER 1, 1992 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:

(a) 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, 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; 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 of said note, 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 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.

ROBERT E CHEYNE 1984 TRUST

BY: Robert E. Cheyne HELEN J CHEYNE,
ROBERT E CHEYNE, TRUSTEE TRUSTEE
Helen J. Cheyne
HELEN J CHEYNE 1984 TRUST

STATE OF OREGON,

County of Klamath } ss:

BY: Robert E. Cheyne HELEN J CHEYNE,
ROBERT E CHEYNE, TRUSTEE TRUSTEE
Helen J. Cheyne
HELEN J CHEYNE, TRUSTEE

This instrument was acknowledged before me on September 27, 1991,

by ROBERT E CHEYNE AND HELEN J CHEYNE, AS TRUSTEES OF THE ROBERT E CHEYNE 1984 TRUST AND THE HELEN J CHEYNE 1984 TRUST

NOTARY PUBLIC - OREGON

(SEAL)

My Commission Expires

Notary Public for Oregon

My commission expires 12/16/92

MORTGAGE

ROBERT CHEYNE 1984 TRUST

HELEN CHEYNE 1984 TRUST

TO

SOUTH VALLEY STATE BANK

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

23099

This Assignment shall bind, and inure to the benefit of, Assignee's successors and assigns.

DATE

9/27/919/27/919/27/919/27/91

SIGNATURE

Assignor:

Robert E. Cheyne
ROBERT E. CHEYNE, Initial Trustee of the
Robert E. Cheyne 1984 Trust

Helen J. Cheyne
HELEN J. CHEYNE, Initial Trustee of the
Robert E. Cheyne 1984 Trust

Helen J. Cheyne
HELEN J. CHEYNE, Initial Trustee of the
Helen J. Cheyne 1984 Trust

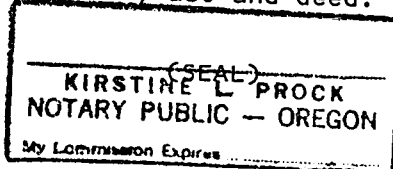
Robert E. Cheyne
ROBERT E. CHEYNE, Initial Trustee of the
Helen J. Cheyne 1984 Trust

Assignee:

SOUTH VALLEY STATE BANK

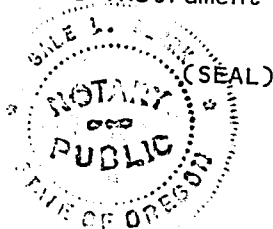
By: Jim Meloy
Loan Officer
(Name and Title)

STATE OF OREGON, County of Klamath) ss: September 27, 1991
Personally before me appeared the above-named ROBERT E. CHEYNE and
HELEN J. CHEYNE and acknowledged the foregoing Instrument to be their
voluntary act and deed.



Kirstine L. Prock
NOTARY PUBLIC FOR OREGON
My Commission Expires: 12/16/92

STATE OF OREGON, County of Klamath) ss: October 9, 1991
Personally before me appeared Jim Meloy
known to me to be the Loan Officer of SOUTH VALLEY STATE BANK
and acknowledged the foregoing Instrument to be the free and voluntary act
and deed of said bank, and on oath stated that he was authorized to execute
said Instrument on behalf of said bank.



Gale L. Clark
NOTARY PUBLIC FOR OREGON
My Commission Expires: 12-13-91

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STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 5th day
of Nov. A.D., 19 91 at 9:03 o'clock A.M., and duly recorded in Vol. M91
of Deeds on Page 23097.

FEE \$38.00

Evelyn Biehn County Clerk

By Pauline Meloy

7. Easements and right of way, including the terms and provisions thereof, granted by Fannie M. Cheyne to The California Oregon Power Company, a corporation, dated March 17, 1939, recorded May 25, 1939, in Vol. 122, Page 313, Deed Records of Klamath County, Oregon.

8. Right of Way, including the terms and provisions thereof, from Robert Cheyne and Helen Cheyne, husband and wife, to The California Oregon Power Company, a California corporation, dated April 7, 1961, recorded July 14, 1961, in Vol. 331, Page 34, Deed Records of Klamath County, Oregon.

9. Right of Way Easement, including the terms and provisions thereof, given by Robert L. Cheyne and Glenda R. Cheyne, to Pacific Power & Light Company, a corporation, dated August 30, 1979, recorded September 5, 1979, in Vol. M-79, Page 21161, Deed Records of Klamath County, Oregon.

10. Mortgage, including the terms and provisions thereof, executed by Robert L. Cheyne and Kelly Glenda R. Cheyne to South Valley State Bank, dated November 28, 1986, recorded December 3, 1986, in Vol. M-86, Page 22295, Mortgage Records of Klamath County, Oregon, to secure the payment of \$130,000.00 (Includes additional real property).

11. Mortgage, including the terms and provisions thereof, executed by Robert L. Cheyne and Kelly Glenda R. Cheyne to South Valley State Bank, dated November 28, 1986, recorded March 10, 1988, in Vol. M-88, Page 3349, Mortgage Records of Klamath County, Oregon, to secure the payment of \$175,000.00 (Includes additional real property).

12. Mortgage, including the terms and provisions thereof, executed by Robert Lynn Cheyne to South Valley State Bank, dated April 19, 1988, recorded April 21, 1988, in Vol. M-88, Page 6366, Mortgage Records of Klamath County, Oregon, to secure the payment of \$190,000.00 (Includes additional real property).

Included in this Assignment is any right, title, or interest of Assignor in and to the real property described herein, that may hereafter revert to or vest in Assignor as seller under said Contract, should buyer for any reason forfeit his interest and right therein under the Contract hereby assigned.

Assignor expressly covenants with and warrants to Assignee that: no prior assignment of seller's interest in the Contract, or in the real property described herein, or any part thereof, has been made; that the Contract is current, with the principal sum of \$107,000.00 now due and owing, buyer is not in default thereunder in any particular, and that the Contract, as recorded, has not been modified or extended.

Assignor guarantees the payment of all moneys due or to become due under the Contract and the full performance by buyer therein of all buyer's promises and covenants.

Assignor consents that the time of payment of any or all of the installments under the Contract may be extended by Assignee in its discretion, and Assignor guarantees the payment of all sums of money due or to become due by reason of any such extensions.

In the event of a breach of any of the terms of the Contract or default in the payment of any sums provided therein, Assignor shall perform the Contract or make such payments, as the case may be, as though Assignor were liable thereon, waving all notice and demands.

All pronouns used in this Assignment shall be construed in accordance with the appropriate gender or neuter, and either singular or plural as the context requires.