

NE

45478

Vol. 192 Page 11650

THIS MORTGAGE, Made this 1ST day of MAY, 1992,
by STARR A. SANDERS
to PIONEER BANK, A FEDERAL SAVINGS BANK

hereinafter called Mortgagor,

hereinafter called Mortgagee,

WITNESSETH, That said mortgagor, in consideration of SIX THOUSAND FIVE HUNDRED FIFTY AND NO/100----- Dollars, to mortgagee 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"

(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:

SEE ATTACHED EXHIBIT "C"

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: MAY 5, 2002

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

(a) * primarily for purposes of a personal, family or household purpose (see Important Notice below)

(b) * not for purposes of a business, investment or other commercial purpose (see Important Notice below)

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 \$ 34,950.00----- 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, 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. 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 contest 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 executed this mortgage 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.

Starr A. Sanders

STATE OF OREGON,

County of GRANT

} SS.

This instrument was acknowledged before me on MAY 1, 1992.



STARR A. SANDERS

Kristine Labhart
Notary Public for Oregon
My commission expires 7-31-95

MORTGAGE

STARR A. SANDERS

TO

PIONEER BANK, F.S.B.

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

AFTER RECORDING RETURN TO

PIONEER BANK, F.S.B.
P O BOX 130
JOHN DAY, OREGON 97845

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

11651

EXHIBIT "A"

LEGAL DESCRIPTION

KLAMATH COUNTY, OREGON

A PARCEL OF LAND SITUATED IN SECTION 6, TOWNSHIP 36 SOUTH, RANGE 13 EAST OF THE WILLAMETTE MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; COMMENCING AT THE SOUTHWEST CORNER OF THE NE $\frac{1}{4}$ OF SAID SECTION 6; THENCE N. 00°00' 11" W. ALONG THE WESTERLY LINE OF SAID NE $\frac{1}{4}$, 708.00 FEET; THENCE LEAVING SAID WESTERLY LINE EAST, 167.74 FEET TO A POINT; THENCE N. 20°24'00" E. 366.00 FEET; THENCE S. 69°36'00" E. 399.61 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING S. 69°36'00" E. 200 FEET; THENCE S. 20°24'00" W. 364.29 FEET; THENCE N. 69°45'49" W. 200 FEET TO A POINT; THENCE N. 20°24'00" E. 365 FEET MORE OR LESS TO THE POINT OF BEGINNING.



Pioneer Bank
F.S.B.

11652

ADJUSTABLE CONSUMER LOAN NOTE — SECURITY AGREEMENT

EXHIBIT "C"
PIONEER BANK, F.S.B.

Office JOHN DAY, OREGON
Address 150 WEST MAIN STREET

Borrower JEFFREY L. SANDERS
STARR A. SANDERS
Address P O BOX 400
CANYON CITY, OREGON 97820

DEFAULT CHARGE: In the event any payment is not received within 10 days after the installment is due a default charge of 5% of the monthly installment amount will be assessed

NOTE

If the interest rate changes (see change date below), the amount of the monthly payment will change. Increases in the monthly payment may result in a higher late charge. Decreases in the monthly payment may result in a lower late charge.

ACCELERATION: If any payment is not paid when due or Borrower violates the terms of any security agreement securing this loan, then Lender may, at its option and without notice declare the entire unpaid principal balance plus accrued interest immediately due and payable

PRINCIPAL AMOUNT \$ 6,550.00

SECURITY INTEREST: This loan and any extension or renewal thereof or future advance is secured by:

☐ A consensual security interest under the Uniform Commercial Code more fully described and the Security Agreement attached hereto and the return of any promissory note or advance purchased as a part of this transaction and in the following property:

☐ Automobile: Make Year Model
Serial/ID No.

☐ All Consumer Goods (excluding to Borrower(s) including but not limited to household goods, furniture, appliances and personal property of all kinds and the right of future accessions thereto and additional consumer goods acquired within **10 days** after the date of this loan or the date charges begin, whichever is later, and all proceeds from the sale, exchange or other disposition of such goods

☐ Other Property (Specify):

☒ A lien on a property evidenced by a XXXXXXX Mat. reg. ref. 5-1-92 Dated prior to receipt of property

SEE MORTGAGE

☐ This loan is a refinance

INTEREST: Interest will be charged on that part of outstanding principal which has not been paid. Interest will be charged on the unpaid principal and continuing until the full amount of principal received has been paid. Beginning on the date of the first scheduled payment, interest will be:

9.75 % (the "Initial Interest Rate") The interest rate that I will pay will change in accordance with this Note until my loan is paid in full. Changes may occur on the 1ST day of the month beginning on MARCH 1, 1993 and on that day of the month every TWELVE months thereafter. Each date on which the rate of interest may change will be called a "Change Date"

PAYMENTS

(A) Time of Payments

I will pay principal and interest by making payments every month. I will make my monthly payment(s) on the 5TH day of each month beginning on JUNE 5, 1992. I will make these payments until MAY 5, 2002 on which date the entire loan amount (principal plus any unpaid accrued interest and other charges) become due and payable

(B) Borrower's Payments Before They Are Due

I have the right to make payments of principal at any time before they are due. A payment of principal made by me is a "prepayment." When I make a prepayment, I will tell the Note Holder in writing that I am doing so. I may make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no delays in the due dates of my monthly payments unless the Note Holder agrees in writing to these delays. My partial prepayment will be used to the amount of my monthly payments after the first Change Date following my partial prepayment. Interest on the amount due to my partial prepayment may be offset by an interest rate increase

(C) Amount of Monthly Payment

My initial monthly payments will be in the amount of US \$ 85.65-----. If the interest rate that I pay changes, the amount of my monthly payments will change. Increases in the interest rate will result in higher payments (unless my prepayments cause the rate of change to be offset by decreases in my monthly payments). Decreases in the interest rate will result in lower payments. I agree that my monthly payments will always be sufficient to repay my loan in full in substantially equal payments by the final payment date, including payments for interest and principal. The Note Holder will assume that the Note interest will not change again prior to the final payment date.

INTEREST RATE CHANGES

(A) The Index

Any changes in the interest rate will be based on changes in an interest rate index which will be the "Index" (the "Index" is the "Monthly Weighted Average Cost of Savings, Borrowings, and Advances of the Federal Reserve Bank of San Francisco"). A new "Index" is established monthly

(B) Setting the New Interest Rate

To set the new interest rate, the Note Holder will determine the current index figure. The current index figure is the index figure published 45 days prior to each Change Date. The new interest rate will be the most current index figure plus 4.00 percent. The maximum interest rate will not exceed 15.75 %

(C) Effective Date of Changes

Each new interest rate will become effective on the next Change Date. If my monthly payment is not paid on the next Change Date, the next monthly payment will change as of the first monthly payment date after the Change Date

(D) Notice to Borrower

The Note Holder will mail a Notice by first class mail at least 15 and no more than 45 days before the next Change Date. The notice will advise me of:

- (a) the new interest rate on my loan
- (b) the amount of my new monthly payment, and
- (c) any additional matters which the Note Holder is required to disclose

(See reverse side for Important Notice and Additional Information)

SIGNED Jeffrey L. Sanders
Starr A. Sanders
JEFFREY L. SANDERS
STARR A. SANDERS

5-1-92

5-1-92

Loan No. 4-64-00531-2

Original: Duplicate:

5201 :

11653

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Pioneer Bank the 29th day
of May A.D., 19 92 at 2:22 o'clock P.M., and duly recorded in Vol. M92
of Mortgages on Page 11650.

Evelyn Biehn County Clerk

FEE \$25.00

By *Franklin M. ...*

