

2007-004170

Klamath County, Oregon



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03/13/2007 01:55:57 PM

Fee: \$31.00

Robert Rightmire
12028 Ranchito
El Monte CA 91732

MORTGAGE NOTE

March 8, 2007

Klamath Falls
(City)

OR

1410 OLD FORT ROAD, Klamath Falls, OR 97601
(Property Address)

1) BORROWERS PROMISE TO PAY:

In return for a loan that I have received, I promise to pay U.S. \$25,000 (this is called "Principal"), plus interest, to the order of the Lender.

The Lender is Robert Rightmire ("Payee") at 12028 Ranchito, El Monte, CA 91732.

I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2) INTEREST:

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 8.5%.

The interest rate is required by Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3) PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the 1st day of each month beginning April 1, 2007. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on April 1, 2017, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at:

12028 Ranchito, El Monte, CA 91732

or at a different place as required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$309.96.

4) BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

5) BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of fifteen (15) calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be \$50.00. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Cost and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, attorney's fees.

6) GIVING OF NOTICES

Unless applicable law requires a different method, any notice must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address Stated in Section 3(A) above or at a different address if I am given a notice of that different address.

7) OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this NOTE, including the promise to pay the full amount owed. Any person who is the guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of the guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

8) WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

9) TRANSFER OF DEBT TO LENDER'S REPRESENTATIVE(S) IN THE EVENT OF EXPIRATION OF LENDER

In the event the Lender expires and the debt is still in effect, Borrower will continue to make payments as per the Note to the representative(s) appointed by the Lender or members of his immediate family. Representatives include anyone appointed by Lender, including attorneys, children, sisters, brothers, specific people he wishes to receive the payment or by means of a will.

10) IN THE EVENT OF DEATH OF BORROWER

In the event of the borrower's death, this debt to be included as part of estate's debt or secured by trust deed.

11) UNIFORM SECURED NOTE

The NOTE is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this NOTE, a Mortgage, Deed of Trust, or Security deed (the Security instrument), dated the same date as this NOTE, protects the NOTE HOLDER from possible losses that might result if I do not keep the promises that I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note.

WITNESS THE HAND(S) and SEAL(S) OF THE UNDERSIGNED

Colleen J. Graham

(Seal)

Colleen J. Graham

-Borrower

(Seal)
-Borrower

Acknowledgment

STATE OF OREGON)
) ss.:
COUNTY OF Klamath)

On the 13th day of March in the year 2007 before me, the undersigned, a Notary Public in and for said State, personally appeared Colleen Graham, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Shauna L. Mitchell
Notary Public

Print Name: Shauna L. Mitchell

My Commission No.:

386850

My Commission Expires:

11.15.08

Place Seal

