

THIS MORTGAGE, Made this 15th day of March, 1984, by Samuel S. Shaw and Daisy M. Shaw, husband and wife, to South Valley State Bank hereinafter called Mortgagor,

WITNESSETH, That said mortgagor, in consideration of Twenty Five Thousand and No/100 with right of renewals and future advances Dollars, to him paid by said mortgagee, does hereby grant, bargain, sell and convey unto said mortgagee, his heirs, executors, administrators and assigns, that certain real property situated in Klamath County, State of Oregon, bounded and described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

(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, his heirs, executors, administrators and assigns forever. This mortgage is intended to secure the payment of a certain promissory note, described as follows:

Note dated March 15, 1984, in the amount of \$25,000.00 (See note on reverse)

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 31, 1984

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, household or agricultural purposes (see Important Notice below), (b) for an organization or (even if mortgagor is a natural person) are for business or commercial purposes other than agricultural purposes. And said mortgagor covenants to and with the mortgagee, his heirs, executors, administrators and assigns, that he 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 he will pay said note, principal and interest according to the terms thereof; that while any part of said note remains unpaid he 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 he 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 he 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 \$25,000.00, 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 his interest may appear and will deliver all policies of insurance on said premises to the mortgagee as soon as insured; that he 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, 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 his 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 mortgagor 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 pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof 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, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use S-N Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, use S-N Form No. 1306, or equivalent.

Samuel S. Shaw
Daisy M. Shaw

STATE OF OREGON, County of Klamath, ss: Personally appeared the above named Samuel S. Shaw and Daisy M. Shaw, March 15, 1984, and acknowledged the foregoing instrument to be their voluntary act and deed. Before me: Julie Chudick Notary Public for Oregon My commission expires: 10-17-87

MORTGAGE

TO
AFTER RECORDING RETURN TO
SOUTH VALLEY STATE BANK
P. O. BOX 5210
KLAMATH FALLS, OREGON 97601

STATE OF OREGON
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 on page or as file number. Record of Mortgages of said County. Witness my hand and seal of County affixed.

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

By Title Deputy

1984

EXHIBIT A

4565

MILLER: James E. & SHAW: Samuel S.

NOTE

Klamath Falls, Oregon, March 15, 1984

\$ 25,000.00

I promise to pay to the order of SOUTH VALLEY STATE BANK, Klamath Falls, Oregon branch the principal sum of: Twenty Five Thousand and No/100 DOLLARS
 (\$25,000.00) plus interest at the rate of INTEREST RATE AGREEMENT PERCENT until paid. PRIME +5.5
 (11.0 PR. %) per annum from Date of Disbursement in interest monthly payments beginning 4-17-84
 Said principal sum and interest are payable in interest monthly payments beginning 4-17-84
 with the remaining balance plus interest due at maturity on 12-31-84

Protest is waived.

I also agree to pay attorneys' fees and costs of collection on default.
 The holder of this note may accelerate the time of payment of all amounts due hereunder if (a) default is made in the payment of any sum due hereunder or (b) if the holder deems himself insecure.

Upon default of any payment, this note shall bear interest at the rate of 16.5 per annum.
 This Note is secured by Mortgage dated March 15, 1984 on Shell Station and Security
Agreement dated March 15, 1984, covering accounts receivable, inventory and equipment

9339 Hwy 97 S.
 Klamath Falls, OR 97603

A piece or parcel of land situate in the South half of the Southwest quarter of Section 30, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Commencing at the point of intersection of the section line marking the Southerly boundary of the said Section 30, with a line parallel with and 50.00 feet distant at right angles Southeasterly from the center line of the Klamath Falls-Midland Section of the Oregon State Highway, as the same is now located and constructed from which point of intersection the Southwesterly corner of said Section 30 bears thence North $36^{\circ} 49\frac{1}{2}'$ East, along said parallel line 337.62 feet to the true point of beginning of this description; thence South $53^{\circ} 10\frac{1}{2}'$ East 185 feet; thence South $36^{\circ} 49\frac{1}{2}'$ West, and parallel with said center line of Klamath Falls-Midland section of the Oregon State Highway to a point in said section line marking the Southerly boundary of the land (said Section 30); thence South $89^{\circ} 42\frac{1}{2}'$ West along said Section line to its intersection with a line parallel with and 80.00 feet distant at right angles Southeasterly from the said center line of the Klamath Falls-Midland Section of the Oregon State Highway; thence North $36^{\circ} 49\frac{1}{2}'$ East along said parallel line 259.37 feet; thence North $53^{\circ} 10\frac{1}{2}'$ West 50.00 feet distant at right angles Southeasterly from the said center line of the Klamath Falls-Midland Section of the Oregon State Highway; thence North $36^{\circ} 49\frac{1}{2}'$ East along said last mentioned parallel line 55.55 feet to the point of beginning.

STATE OF OREGON,
 County of Klamath)
 Filed for record at request of

on this 20 day of March A.D. 19 84
 at 3:36 o'clock P M, and duly
 recorded in Vol. M84 of Mortgages
 Page 4564

EVELYN BIEHN, County Clerk

By Sam Amick Deputy

Fee 8.00