

MTG 13606-L

Vol. 1184 Page 11455 1202
July 6 84

PURCHASE MONEY SECURITY AGREEMENT

38543

BOB J. and JULIE A. DEAVOURS

Dated

84

Customer(s) KAREN HANSEN, dba DEAVOURS-HANSEN ENTERPRISES
(Hereinafter called buyer)

Creditor(s) BERNARDO N. and BERNADELL MENA
(Hereinafter called seller)

P.O. Box 617, Chiloquin, OR 97624

2581 Monroe St.
Santa Clara, CA 95051

(Buyer's residence or other address specified by him)

(Seller's place of business)

Section 1. The above named buyer (and if more than one, then all buyers jointly and severally), hereinafter sometimes called the debtor, hereby purchases from the above named seller, and seller sells to the buyer the following described goods:

See attached Exhibit "A".

75,288.75
together with all accessories, additions, replacements, parts and acccessions now or hereafter affixed to or used in connection therewith as well as the proceeds thereof (all herein collectively called "collateral"), at and for the sum of \$ Balance NO. 762.58 which buyer promises to pay to seller's order at the following times: \$ 25,000.00 on the signing hereof (receipt of which hereby is acknowledged by seller) and the balance, including interest, in monthly installments of not less than \$ 1,900.00 each, payable on the 1st day of each month hereafter beginning with the month of July, 19 84, and continuing until said sum together with the interest next mentioned is fully paid; all unpaid principal shall bear interest at the rate of 10% per annum from date hereof until paid; interest payable monthly, the same being included in the minimum monthly payments above required. NOTE: In addition to the foregoing sum, the Buyers also owe the sum of 44,287.42 payable at the rate of \$700.00 per month, including interest at the rate of 10% per annum. On 6/5/89, payments shall be amortized so that full balance including interest shall be paid on or before June 5, 1994. All or any part of said price may be paid in advance at any time. If any payment is not paid when due and such default continues for a period of 10 days or longer, seller shall be entitled to collect, and buyer agrees to pay, in addition to the foregoing, seller's collection costs, including reasonable attorney's fees. To secure buyer's performance hereof buyer grants to seller a security interest in said collateral and in all thereof.

Section 2. The buyer hereby warrants and covenants that:

2.1 The collateral is primarily for buyer's ☐ personal, family, household or agricultural purposes, ☒ business or commercial, other than agricultural, purposes (indicate which; see important notice below).

2.2 At all times the collateral will be kept at Melita's Motel & Restaurant, Hwy. 97, Chiloquin, Klamath

(No. and Street) (City or Town) (County)
Oregon, and shall not be removed from said location, in whole or in part, until such time as seller's written consent thereto shall have been obtained.

2.3 If the collateral is bought or used primarily for business or commercial, other than agricultural, purposes, the buyer's principal place of business in Oregon is that shown at the beginning of this agreement; buyer also has places of business in the following other Oregon counties: Klamath; if buyer has no place of business in Oregon but resides therein, the county in which buyer resides is _____ County in said state.

2.4 If buyer is a corporation, it was organized under the laws of the State of _____, its principal office and place of business is located at _____ and its principal office and place of business in Oregon is located at the place shown at the beginning of this agreement.

2.5 If the collateral is or is to become attached to real estate, a description of the real estate is:

See attached Exhibit "B"

Klamath County, Oregon, and buyer will on demand furnish the seller with disclaimers or subordination agreements in form acceptable to the seller, signed by all persons whose interests are or may be prior to the seller's interest.

Section 3. SPECIAL TERMS AND CONDITIONS:

With reference to the above described goods, there are no warranties of merchantability, express or implied, and none as to their fitness for any purpose except as may be agreed upon between the parties in a writing of even date.

This agreement is subject to the additional provisions set forth on the reverse hereof, the same being incorporated herein by reference. The buyer acknowledges receipt of a copy of this agreement.

IN WITNESS WHEREOF, the buyer and the seller have executed this agreement in duplicate on the date first above mentioned.

Bernardo N. Mena
(Buyer)

Bernadell Mena
(Seller)

Address 2581 Monroe St., Santa Clara, CA 95051

Julie Deavors
Bob J. Deavors

Karen Hansen
(Signature of Buyer)

IMPORTANT NOTICE: If the above goods are primarily for buyer's personal, family, household or agricultural purposes, and the seller is a creditor as defined in the Truth-in-Lending Act and Regulation Z, seller MUST comply with the Act and Regulation by making required disclosures; for this purpose, use Stevens-Ness Form No. 1311 or equivalent. If compliance with the Act not required, disregard this notice.

NOTE: This form not suitable for use in retail installment sales. The following Stevens-Ness forms of such contracts are available: No. 1204 Motor Vehicles; No. 1205 Consumer Goods; No. 1227 Consumer Goods (short form); No. 1210 Goods and Services Purchased for Home Improvements; No. 1211 Services Purchased for Personal, Family, Household or Agricultural Purposes.

Section 4. The parties hereto agree:

4.1 Title to the collateral is retained by seller and shall not pass to buyer until all sums herein agreed to be paid shall have been paid in cash; any equipment, repairs or accessories placed upon or attached to said collateral shall become a component part thereof as soon as installed or attached and title thereto shall be vested in seller forthwith and included under the terms of this contract.

4.2 Buyer acknowledges receipt and delivery of said collateral in good condition and accepts the same as is; buyer agrees to permit seller to examine said collateral at any time, to maintain the same in good condition and repair; to house and protect the same against the elements; not to permit the same to become subject to attachment, execution or other process; not to create or permit to be created any lien, security interest or adverse claim of any character against the same and not to sell, transfer or assign his right, title or interest in said collateral or this contract without the written consent of seller; to pay all taxes and assessments of every character levied or assessed against said collateral, this contract and the indebtedness represented hereby.

4.3 If any motor vehicles are included in the above described collateral, the seller's security interest is to be noted on each certificate of title and each of said certificates shall then be deposited with and kept by the seller.

4.4 Any sums payable by buyer under the terms hereof which are not paid by him but are paid by seller shall bear interest at the highest lawful rate until repaid and said sums with interest shall be added to the unpaid balance of said price and be secured by this contract.

4.5 At all times said collateral is at buyer's risk; should said collateral suffer any loss, damage or injury, buyer agrees notwithstanding to purchase and pay for the same in full, according to the terms hereof.

4.6 Buyer agrees at all times to keep said collateral insured against loss by fire, theft and other hazards as required by the seller, with loss payable to the parties hereto as their respective interests may appear; all insurance policies shall be deposited with and held by the seller; buyer hereby authorizes seller on buyer's behalf to accept payment of any return or unearned premium and for any loss sustained, to endorse in buyer's name, deposit in his own name and receive the proceeds of any check or draft made payable to buyer in connection with any such insurance; if any insurance collected by seller exceeds the then unpaid balance of this contract, the excess shall be paid forthwith to the buyer.

4.7 Buyer agrees that seller's acceptance of part or late payments shall not constitute or be construed as a waiver of time as the essence of this contract or of any subsequent defaults of buyer hereunder.

4.8 Notices to buyer relative to this contract shall be deemed delivered if mailed to buyer's address first appearing on the reverse hereof; five days from date of mailing shall be deemed a reasonable notice.

4.9 Time is of the essence of this contract and if buyer shall default in his perform-

ance of any of the terms or conditions hereof, or in the payment, when due, of any sum herein required to be paid, or if seller with reasonable cause deems the collateral in danger of loss, misuse or confiscation or deems himself insecure, seller, as the secured party in this transaction, shall have and may exercise each and all of the remedies granted to him by the Uniform Commercial Code of Oregon and, at his option, may declare all sums then remaining unpaid immediately due and payable and may require the buyer, as the debtor herein, to assemble the collateral and make same available to the secured party at a place to be designated by the secured party which is reasonably convenient to both parties. Should the holder hereof repossess any of said collateral and should buyer claim that any property not included in this contract was contained in or attached to said collateral, he shall so notify the holder hereof by registered mail within 24 hours after repossession is taken; buyer's failure so to do shall be a waiver of and bar to any subsequent claim therefor. In the event suit or action is instituted to collect any sum or sums of money due hereunder or to replevy said collateral, buyer agrees to pay, in addition to the statutory costs and disbursement, (1) plaintiff's reasonable attorney's fees to be fixed by the trial court and (2) on appeal, if any, similar fees in the appellate court to be fixed by the appellate court.

4.10 The buyer, who is the debtor herein, agrees to join with the seller, who is the secured party herein, in executing, filing and doing whatever may be necessary under applicable law to perfect and continue the seller's interest in said collateral, all at buyer's expense.

4.11 In construing this contract, the singular includes the plural; the masculine includes the feminine and the neuter; the buyer is the debtor and the seller is the secured party within the meaning of Oregon's Uniform Commercial Code and, the buyer is the customer and the seller is the creditor within the meaning of the Truth-in-Lending Act and Regulation Z.

IT IS FURTHER UNDERSTOOD AND AGREED that seller may transfer his interest in this contract, in said collateral and the unpaid balance hereof at any time, in which event all of the terms herein set forth for seller's benefit shall inure to the benefit of seller's assignee and that generally each right herein given to the seller shall accrue to and may be exercised by seller's assignee hereof. If seller assigns the contract, seller shall not be his assignee's agent for the collection of any of the installments of said purchase price or for any other purpose. In the event of any such assignment, the buyer will not assert as a defense, counter-claim, set-off or otherwise, any claim, known or unknown, which the buyer now has or claims against the seller.

A carbon impression of any signature on any copy of this contract shall be deemed, for all purposes, an original signature.

All the terms and conditions herein contained shall apply and inure to and bind the heirs, executors, administrators, successors and assigns of the respective parties hereto, subject, however, to the above restriction against assignment hereof by the buyer.

Date _____, 19____

SELLER'S ASSIGNMENT

FOR VALUE RECEIVED, the undersigned seller does hereby sell, assign and transfer to _____ and assigns (hereinafter called assignee), the foregoing sales contract, the property covered thereby and all of seller's right, title and interest therein and authorizes said assignee to endorse and collect any check or draft payable to the undersigned in connection with said contract.

WITHOUT RECOURSE

This assignment is made WITHOUT RECOURSE, except as to the following warranties to-wit: that the said contract is a bona fide one; that said buyer was of legal age and entirely competent when he executed the same; that the property sold is accurately described therein; that said property has been delivered into buyer's possession; that the amount stated in said contract to have been received on the purchase price of said property was actually paid in cash and/or by merchandise received in trade at not more than its then cash value; that seller has the full and complete title to said property subject only to buyer's rights hereunder; that the amount owing upon said contract at the time of its execution is correctly stated therein; that buyer has no counterclaims or set-offs against the same; that there were no representations or warranties made to said buyer not contained in said contract. Should any of the foregoing warranties be false, then seller agrees to purchase on demand from said assignee said contract for the amount of the then unpaid balance on said contract. Should suit or action be instituted on any of the above warranties, seller agrees to pay (1) assignee's reasonable attorney's fees to be fixed by the trial court and (2) on appeal, if any, similar fees in the appellate court to be fixed by the appellate court.

WITH RECOURSE

The undersigned seller unconditionally GUARANTEES the prompt payment, when due, of all amounts to become due by the terms of said contract and the prompt payment of all costs (including reasonable attorney's fees both in the trial and appellate courts as fixed by said courts respectively), incurred in collecting or attempting to collect the moneys to become due thereon and in enforcing any right under said contract or under this guaranty and hereby consents that extensions of the time of payment may be granted to the buyer, either before or after maturity and that the said contract may be changed in any other particular without notice and without in any manner releasing the undersigned from liability. The seller agrees that seller's obligation hereunder shall be enforceable even though the assignee's right to enforce the said contract, or any provision thereof, be suspended or impaired by any statute or otherwise.

By _____ Seller
(Sign under applicable provision and cross out the other one.)

By _____ Seller

EXHIBIT "A"

11457

RESTAURANT KITCHEN AND DINING ROOM: 1 hot rack; 1 hot chocolate machine (property of Boyd's Coffee); 1 soup pot; 1 ice tea dispenser; 1 pop speed bar w/ice bin and comp; 1 menu board; 1-4 place hotplate (property of Boyd's Coffee); 1 coffee maker (property of Boyd's Coffee); 1 coffee container; 1 pie case ref.; 1-2 carton milk dispenser (property of Crater Dairy); 1 ice cream freezer and fountain syrups (property of Crater Dairy); 1 cone dispenser (property of Crater Dairy); 1 pie or donut display; Toastmaster double french frier was replaced with Wells double french frier, and if this is not there, Sellers will replace the double french frier; 1 steam and ice buffet table and 1 - 5 gal. gas tank; tables (3 small, 9 large); chairs - 42 dining room. Miscellaneous restaurant utensils, pots, pans, dishes and silverware. Also included are miscellaneous ash trays, glasses and water pitchers; 1 gas water heater.

GIFT SHOP: 1 NCR double drawer cash register; 1 jewelry case w/reg. stand; 2 open shelves (knick knack).

BAR: 2 tall oil glass lamps; 1 Bingo game; 1 Color TV (as is); 2 tables and 8 chairs; 2 booths moved into dining room; 1 cash register; 12 bar stools; 1 gas heater; juke box and game machines are owned by American Amusement Co.

LAUNDROMAT: 6 Maytag washers; 2 Blackstone 30 lb. dryers; 1 gas water heater, 100 gal.; 4 electric water heaters in motel units. *As Is. P. 14 Bm*

LINEN ROOM: Miscellaneous sheets, pillow cases, spreads, towels, blankets, pillows. *Quantity and Quality unknown. P. 14 Bm*

STORAGE ROOM: 1 Riding lawn mower (as is).

ROOMS #1 - 6 Contain 1 large bench, 1 bedside lamp, 1 box spring and mattress, miscellaneous mattress pads, sheets, blankets, spreads, pillows, towels and washcloths. Each room contains drapes, and shower curtains. Rooms 1 - 6 contain 1 wall lamp.

ROOM #7: 2 lug benches; 2 wall lamps; 2 box springs and mattresses; miscellaneous linens, blankets, drapes, 1 picture.

ROOM #8: 2 lug benches; 1 wall lamp; 2 bedside lamps; 2 box springs and mattresses; miscellaneous linens, blankets; drapes; 1 picture.

EXHIBIT "A" TO AGREEMENT -
MENA TO DEAVOURS-HANSEN ENTERPRISES
Page 1

ROOM #9: 1 wall lamp; 2 bedside lamps; 2 box springs and mattresses; miscellaneous linens, blankets; drapes; 1 picture.

Room 9½: 1 couch; 1 t. lamp; 1 c. table; 1 end table; stove; refrigerator; table and 4 chairs.

ROOM #10: 2 beds; 1 night stand; 1 wall lamp; 2 table lamps; miscellaneous linens, blankets; drapes; ~~couch~~. (g.v. 00 B.M. N.H.)

ROOM #11: 2 lug benches; 1 wall lamp; 2 bedside lamps; 2 box springs and mattresses; miscellaneous linens, blankets; drapes; 1 picture.

ROOM #11½: 2 end tables; 2 bedside lamps; 1 king size box spring and mattress; miscellaneous linens; blankets; drapes; 1 large chest of drawers; 2 pictures.

ROOM #12: 2 lug benches; 1 wall lamp; 2 bedside lamps; 2 box springs and mattresses; miscellaneous linens, blankets; drapes; 1 picture.

HOME: 1 refrigerator; 1 electric stove with microwave oven; compactor; dishwasher.

Included in the same is a 1974 Chevy Sports Van. Van is "as is, where is". Single wide mobile home set up on property, "as is".

Assumed business name, covenant not to compete, goodwill and liquor license.

NOTE: This inventory was taken October 6, 1980. These articles are over six years old, and if they need to be replaced, they will be replaced by Mr. & Mrs. B. Mena with same.

Equipment owned by the lessee and not to be included in the sale is as follows:

Kitchen: 1 globe slicer; 1 Wells double french fryer; 1 Toast-master toaster; 1 Kenmore microwave; 1 Manitowoc ice maker; 1 CB Base station and antenna; personal tools; some steam table insets.

Bar: Pool table and accessories; pitchers; mirrors; most glassware.

EXHIBIT "A" TO AGREEMENT -
MENA TO DEAVOURS-HANSEN ENTERPRISES
Page 2

11459

Motel: 4 sets queen size beds; 4 pair queen size pillows and bedding; miscellaneous towels and mats.

Storage: 1 chest freezer; most floor pallets; 1 (100 gallon) hot water heater (in crate).

SELLERS:

PURCHASERS:

DEAVOURS-HANSEN ENTERPRISES

Bernardo N. Mena 5/25/84 By Bob J. Deavours 5/26/84
BERNARDO N. MENA Date BOB J. DEAVOURS Date

Bernadell Mena 5/25/84 By Julie A. Deavours 5/26/84
BERNADELL MENA Date JULIE A. DEAVOURS Date

By Karen Hansen 5/25/84
KAREN HANSEN Date

EXHIBIT "A" TO AGREEMENT -
MENA TO DEAVOURS-HANSEN ENTERPRISES
Page 3

EXHIBIT "B"

11460

DESCRIPTION

That portion of the Chiloquin City Airport lying West of the State Highway Commission's right of way, being about three hundred feet wide on the North, and tapering to a point on the South forming a triangle, consisting of eleven and a small fraction acres, and more particularly described as follows:

Situated in Klamath County, Oregon: Beginning at a point in Section 33, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, which is 999 feet South and 984 feet, more or less, West from the corner common to Sections 27, 28, 33 and 34 of said Township and Range, and which point of beginning is the intersection of the Westerly right of way line of the newly located Dalles-California Highway as described in a deed recorded in Klamath County Deed Records, Volume 190, page 23, with the North line of a parcel of land deeded to the City of Chiloquin for airport purposes and described in a deed recorded in Klamath County Deed Records, Volume 107, page 483, thence West, along the North line of said airport property, a distance of 336 feet, more or less, to the Northwest corner of said property; thence South, along the West line of said airport property, a distance of 3,055 feet, more or less, to the Westerly right of way line of said highway; thence North 5° 36' 30" East along said right of way line, a distance of 3,070 feet; more or less to the point of beginning; being all that portion of ~~S½S½NE¼NE¼~~, ~~SE¼NE¼~~, and ~~E½SE¼~~ of Section 33, Township 34 South, Range 7 East of the Willamette Meridian, lying West of the newly located Dalles-California Highway.

Less that portion conveyed to the State of Oregon, by and through its State Highway Commission by deed dated May 1, 1947, recorded May 10, 1947, in Volume 206 at page 169, Deed Records of Klamath County, Oregon, more particularly described as follows: A parcel of land lying in the ~~S½S½NE¼NE¼~~ and the ~~SE¼NE¼~~ of Section 33, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, and being a portion of the following described property: That tract of land which was conveyed by that certain deed to Earl Hall, recorded in Book 196, page 457 of Klamath County Record of Deeds, the said parcel being described as follows:

Beginning at the intersection of the North line of the foregoing described property and the Westerly right of way line of the relocated The Dalles-California Highway; said point being 50 feet distant and Westerly from (when measured at right angles to) the relocated center line of said highway at Engineer's Station 3068+75.7 said point also being 1010 feet South and 986 feet West of the Northeast corner of Section 33, Township 34 South, Range 7 East of the Willamette Meridian; thence North 89° 56' 30" West along the North line of the foregoing described property a distance of 314.61 feet to the Northwest corner of said property; thence South 0° 10' 45" East along the West line of said property a distance of 496.38 feet; thence South 84° 23' 30" East a distance of 263.08 feet to a point on the Westerly right of way line of said Highway, said point being 50 feet distant Westerly from (when measured at right angles to) the relocated center line of said highway at Engineer's Station 3074+00; thence North 5° 36' 30" East along said right of way line a distance of 524.27 feet to the point of beginning.

EXHIBIT "B"

STATE OF OREGON: COUNTY OF KLAMATH:ss

I hereby certify that the within instrument was received and filed for record on the 6th day of July A.D., 19 84 at 3:54 o'clock P M, and duly recorded in Vol M84, of Deeds on page 11455.

Fee: \$ 24.00

EVELYN BIEHN, COUNTY CLERK

by: Bernetha Helock, Deputy

Return: MTC