

THIS MORTGAGE, Made this 8th day of May, 1985
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 Thirty Thousand and No/100-----, hereinafter called Mortgagee,
----- 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 prop-
erty situated in Klamath County, State of Oregon, bounded and described as follows, to-wit:

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

This Mortgage is one of two documents securing a note in the amount of \$30,000.00 for Country Carpets, Inc. dated May 8, 1985 maturing September 30, 1985.

(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 May 8, 1985 in the name of Country Carpets, Inc. in the amount of \$30,000.00
with the maturity date of September 30, 1985.

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: September 30, 1985

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

(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 \$ 30,000.00

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 they are issued and will not cancel or alter any of said policies without the written consent of the mortgagee. And the mortgagee will not commit or suffer any waste of said premises. Now, therefore, if the mortgagee shall keep and perform the covenants herein contained and shall pay said principal and interest on said note; it being agreed that a failure to perform any covenant herein contained as a mortgage to secure the performance of all of said covenants and the payment of said note, the mortgagee shall have the option to declare the whole amount of said note and on this mortgage at once due and payable, and the mortgage shall be closed at any time thereafter. And if the mortgagor shall fail to pay any of said principal and interest on said note, or the mortgage premium as above provided, the mortgagee may at his option do so, and any payment so made shall be added to the principal and interest secured by this mortgage, and shall bear interest at the same rate as said note without waiver, however, of any right arising to become a part of the debt covenant. And this mortgage may be foreclosed for principal, interest and all sums paid by the mortgagee at any time while the mortgage is in force, any sums so paid by the mortgagee.

[illegible]

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.

STATE OF OREGON, County of Klamath, ss: May 8 1985
 Personally appeared the Samuel S. Shumaker

Personally appeared the above named Samuel S. Shaw and Daisy M. Shaw

knowledgeed the foregoing instrument to be their voluntary act and deed.

(NOTARIAL SEAL)

My commission expires: 3-14-87

MORTGAGE

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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.

..... Title
By Deputy

EXHIBIT "A"

6958

PARCEL 1

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 South $89^{\circ} 42\frac{1}{2}'$ West, 827.1 feet, more or less distant, and running 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 30.0 feet, more or less, to a point in the said line parallel with and 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.

MOUNTAIN TITLE COMPANY, INC. has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

STATE OF OREGON,)
County of Klamath)

Filed for record at request of

on this 10th day of May A.D. 19 85
at 8:36 o'clock A M, and duly
recorded in Vol. M85 of Mortgages
Page 6957

EVELYN BIEHN, County Clerk

By [Signature] Deputy

Fee \$9.00