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K-37759

Vol. M& Page 10131 @



THIS INDENTURE, Made this 24th day of June , 19.85 , as mortgagor, and First Interstate Bank of California

paid by the said mortgagee, does hereby grant, bargain, sell and convey unto the said mortgagee, his successors and assigns, those certain premises situated in the County of Klamath and State of

The following described real propety situate in Klamath County, Oregon:

SEWNEW Section 27, Township 35 South, Range 12 East of the Willamette Meridian

Township 35 South, Range 12 East of the Willamette Meridian: Section 14: E%NW%

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Section 21: S%N%NE%; S%NE%; SE%; SE%NW%; SE%SW%; NE%SW%; lying East of the center of the Section 22: All

Section 23: WkWk and all that portion of the NWkNE% and E%NW% lying Westerly of the Westerly right of way line of Indian Service Road S-65. Section 27: W%; N%NE%; N%SE%; SW%SE%; E%SE%SE%

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Section 28: N%NE%
Section 35: N%NW%NW%; N%S%NW%NW%; SAVINGS AND EXCEPTING a tract of land situated in the NW%NW% of Section 35 Township 35 S., R. 12 E.W.M., more particularly described as follows: Beginning at a 5/8 inch iron pin on the Northerly line of the Godowa Springs Road, said point being North 11002'24" East a distance of 4422.31 feet from the iron bolt marking the Southwest corner of said Section 35; thence North 58908 East along the Northerly line of said road a distance of 225.00 feet to a 5/8 inch iron pin; thence North a distance of 104.00 feet to a 5/8 inch iron pin in a fence line; thence South 82018' West along said fence line a distance of 192.83 feet to a 5/8 inch iron pin; thence South a distance of 196.95 feet, more or less, to the point of beginning, containing 0.66 acres, more or less. The bearings of the above described tract of land are based on the survey maps by Smith & Westvold, Engineering & Surveying, as recorded in the office of the Klamath County Surveyor on Constitution of the second of

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 successors and assigns forever.

THIS CONVEYANCE is intended as a mortgage to secure the payment of the sum of Four Hundred Fifty-One Thousand, Eight Hundred Sixty-Two and no/100 ----- Dollars (\$451,862.00) in accordance with the terms of those certain promissory note of which the following is substantially a true copy, to-wit:

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SEE ATTACHED EXHIBITS A,B,& C

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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: November 01,, 1985....

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

- (a)* primarily for mortgagor's personal, family, household or agricultural purposes (see Important Notice

This indenture is further conditioned upon the faithful observance by the mortgagor of the following covehereby expressly entered into by the mortgagor, to-wit:

That mortgagor is lawfully seized of said premises, and now has a valid and unincumbered fee simple title thereto.

and that he will warrant and defend the same against the claims and demands of all persons whomsoever; That he will pay the said promissory note and all installments of interest thereon promptly as the same become due, according to the tenor of said note;

That so long as this mortgage shall remain in force he will pay all taxes, assessments, and other charges of every nature which may be levied or assessed upon or against the said premises when due and payable, according to law, and before the same become delinquent, and will also pay all taxes which may be levied or assessed on this mortgage or the debt thereby secured, and will promptly pay and satisfy any mechanics' liens or other incumbrances that might by operation of law or otherwise become a lien upon the mortgaged premises superior to the lien of this mortgage;

That he will keep all the improvements erected on said premises in good order and repair and will not commit or suffer any waste of the premises hereby mortgaged. At the request of the mortgagee, the mortgagor shall join with the mortgagee in executing one or more financing statements pursuant to the Uniform Commercial Code, in form satisfactory to the mortgagee and will pay for filing the same in the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may

That so long as this mortgage shall remain in force he will keep the buildings now erected, or any which may hereafter be erected on said premises insured against loss or damage by fire, with extended coverage, to in some compainy or companies acceptable to said mortgagee and for the benefit of both parties hereto as their interests may appear, and will deliver all the policies and renewals thereof

NOW, THEREFORE, if the said mortgagor shall pay said promissory note and shall fully satisfy and comply with the covenants hereinbefore set forth, then this conveyance shall be void, but otherwise to remain in full force and virtue as a mortgage to secure the payment of said promissory note in accordance with the terms thereof and the performance of the covenants and agreements herein contained; it being agreed that any failure to make any of the payments provided for in said note or this mortgage when the same shall become due or payable, or to perform any agreement herein contained, shall give to the mortgagee the option to declare the whole amount due on said note, or unpaid thereon or on this mortgage, at once due and payable and this mortgage by reason thereof may be foreclosed at any time thereafter. And if the said mortgagor shall fail to pay any taxes or other charges or any lien or insurance premium as herein provided to be done, the mortgagee shall have the option to pay the same and any payment so made shall be added to and become a part of the debt secured by this mortgage, and draw interest at the rate of ten per cent per annum, without waiver, however, of any right arising from breach of any of the covenants herein.

In case a complaint is filed in a suit brought to foreclose this mortgage, the court shall, upon motion of the holder of the mortgage, without respect to the condition of the property herein described, appoint a receiver to collect the rents and profits arising out of said premises, and apply such rents and profits to the payment and satisfaction of the amount due under this mortgage, first deducting all proper charges and expenses of the receivership.

^{*} IMPORTANT NOTICE: Delete, by lining out, whichever worranty (a) or (b) is not applicable; if worranty (b) is applicable and if the mortgagee is a creditor, as such word is defined in the Truth-in-Lending Act and Regulation Z, the mortgagee MUST comply with the Act and Regulation by making required disclosures; for this purpose, the form No. 1306 or equivalent. The purchase of a dwelling, use Stevens-Ness Form No. 1306 or equivalent is NOT to be a first lien,

in administrative management of a state that the planting of the four that it is a substitution that interesting the property of the state of the st In the event of any suit or action being instituted to foreclose this mortgage, the losing party agrees to pay such sum as the trial court may adjudge reasonable as attorney's fees to be allowed the prevailing party in such suit or action and in the event of any appeal, the losing party agrees to pay such sum as the appellate court shall adjudge reasonable as the prevailing party's attorney's fees on such appeal; in any event the mortgagor agrees to pay all reasonable costs incurred by the mortgagee for title reports and title search, all such sums to be secured by the lien of this mortgage and included in the decree of foreclosure.

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 shall be taken to mean and include the plural, the masculine pronoun shall mean 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.

groups which is the country that the second was the In Witness Whereof, the mortgagor has executed this instrument this day of 19 if a corporate mortgagor, it has caused its name to be signed and seal affixed by its officers, duly authorized thereto by order of its board of directors. William J. Pendoka, Ar

	Margaret R. Rendola
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	STATE OF CALIFORNIA, ss.
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	County of1985
programme to the control of the cont	octore in the second and sworn, personally appeared
18 1 59 1 Sec. 183	a Notary Public, State of California, duly commissioned and sworn, personally appeared William J. Pendola, Jr. and
NASS COLL CAR	Pendola
OFFICIAL SEAL	the basis of satisfactory evidence) Wile one of the
JERALD F. RUSSELL NOTARY PUBLIC - CALIFORNIA	personally known to me (or proved to me on the basis of contents) and acknowledged to me that partners of the partnership that executed the within instrument, and acknowledged to me that
NEVADA COUNTY My Comm. Expires Nov. 6, 1987	partners of the partnership that exceed
My Collins	such partnership executed the same. IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal. Newada on the date seal.
and the state of t	IN WITNESS WHEREOF I have need a on the date se
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	forth above in this certificate.
This document is only a general form which may be proper for use in.	Simple transactions and in no tensible foos not Per publisher does not
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of these forms in any specific transaction. Cowdery's Form No. 29 (Acknowledgmen Cowdery's Form No. 29)	t to Notary Commission Expires Nov. 6, 1987
Cowdery's Form No. 25 (Action Public—Partnership) (C.C. Sec. 1190A.)	
The state of the s	
	24TH JUNE in the year hefore me
	On this
STATE OF CALIFORNIA	
NEVADA	ss. CAMILLA M. BURKE , a Notary Fundamental
COUNTY OF	duly commissioned and sworn, personally appeared LUTLIAM J. PENDOLA, JR.
	WILLIAM J. PENDOLA, JR. personally known to me (or proved to me on the basis of satisfactory evidence) to be IS
The first garden and the second	the person whose name IS the person whose name acknowledged that he executed it.
	the person whose name
OFFICIAL SEAL	subscribed to this instrument, and acknowledged that the subscribed to this instrument, and acknowledged that the subscribed my official seal in WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the subscribed to this instrument, and acknowledged that the subscribed my official seal in the subscribed to this instrument, and acknowledged that the subscribed to this instrument, and acknowledged that the subscribed to the subsc
CAMILLA M. BURKE	on the date set forth above
NEVADA COUNTY	NEVADA



COUNTY OF .. OFFICIAL SEAL CAMILLA M. BURKE FARY PUBLIC - CALIFORNIA NEVADA COUNTY

to act, as a subs ranty, either express or implied as to the legal validity Notary Public, State of California

SEPT. 26, 1988 My commission expires_

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FLOATING PRIME RATE NOTE

s 78,750.00**

On Demand, or if no Demand is made, then on Nov. 01, 1985 after date, for value received, undersigned promises Office, at 104.28 Brunswick Rd. Grass Valley Ca. the sum of Seventy-Fight Thousand Seven Hundred Fifty & no. hereof on the unpaid principal balance until maturity, acceleration or demand, according to the tenor hereof, at a floating rate per annum equal to prime rate ("Prime Rate"), but in no event shall said floating rate exceed the maximum rate permitted by applicable law. Any change in such floating rate exceed the maximum rate permitted by applicable law. Any change in such floating rate the floating rate charged on the date of such maturity, acceleration or demand, but in no event shall the rate exceed the maximum rate permitted by applicable law interest shall be calculated on the basis of a 365-day year, and actual days elapsed from date until paid. If the interest is not paid when due, it shall Upon the occurrence, with respect to the undersigned, or any endorser or guarantor, of any of the following events, any one of which shall constitute an event of default:

- (a) The nonpayment when due of this Floating Prime Rate Note or any other obligation of any nature or description to Bank;
- (c) Any petition in pankruptcy being filed by or against any of them or any proceedings in bankruptcy, insolvency or under any other laws relating to the relief of debtors, being commenced for the relief or readjustment of any indebtedness of any of them, either through reorganization, composition, extension (d) The making by any of them of an assignment for the benefit of creditors; (e) The appointment of a receiver of any property of any of them;

- (b) Any seizure, vesting of rights of or intervention by or under any authority of any government, by which the management of any of them is displaced (g) The entry of a judgment against any of them;
- (h) The attachment or distraint of any funds or other property of any of them which may be in, or come into, the possession or control of Bank, or of any
- third party acting for Bank, or the same funds or property becoming subject at any time to any mandatory order of court or other legal process: The making of any misrepresentation to Bank in obtaining credit by the undersigned; or (k) In Bank's opinion, the impairment of the financial responsibility of any of them;
- then, or at any time after the happening of any such event of default, this Floating Prime Rate Note and any other obligations to Bank of the undersigned and/or any endorser or guarantor; whether created directly or acquired by assignment, whether absolute or contingent, shall forthwith be due and payable.

Both principal and interest on this Floating Prime Rate Note are payable in lawful currency of the United States of America without deduction for or on account of any present or trure taxes, duties or other charges levied or imposed on this Floating Prime Rate Note or the proceeds or holder thereof by any government or any political subdivision or taxing authority thereof.

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In the event this Floating Prime Rate Note is placed in the hands of an attorney for collection, the undersigned and any endorser or guaranter agree to pay all costs and expenses of Bank, including reasonable attorneys' fees. The term "reasonable attorneys' fees" shall be construed to include reasonable attorneys' fees incurred in any and all judicial, bankruptcy and other proceedings (including appellate level proceedings) whether such proceedings arise All extensions of time for payment, whether by operation of law, judicial proceedings, or otherwise, shall be included in the computation of interest.

CS 101 All obligations herein shall be the individual obligation of the undersigned unless requisite corporate action has been taken to make this Floating Prime Rate Note an enforceable corporate obligation, and all obligations herein shall be construed as the joint and several obligations of each of the undersigned where there is more than one. FLOATING PRIME RATE NOTE The undersigned and any endorser or guarantor hereby waives diligence, demand, presentment for payment, protest and notice of nonpayment. This Floating Prime Rate Note shall be governed and construed in accordance with the laws of the State of California. 24th June Name of Borrower स्त्राकृष्टी स्थापन वीरामार्थी सम्रकृष्ट स्थापना । १८ स्टेन्स्य स्थापना । स्वाकृष्टी स्थापन वीरामार्थी सम्बद्धाः स्थापना । १८ स्टेन्स्य स्थापना ।

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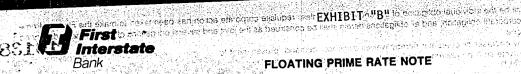
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SYCAN RIVER RANCH PARTNERSHIP LOAN NUMBER 0735-000754 November 01, 1985 RATE AMOUNT CCI NUMBER PRODUCT LINE PURPOSE CODE \$78,750.00 00 275 2053 irst Interstate Banks Prime Plus 1.25% OVER

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PAYMENTS



FLOATING PRIME RATE NOTE

216,615.**00*******

Grass Vallev June 24

California

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to pay to the order of FIRST INTERSTATE BANK OF CALIFORNIA ("Bank") at its Grass Valley

Office at Grass Valley

Office at Grass Valley, CA

Dollars (\$ 216,615.00****), with interest, payable monthly rice of pay the unpaid principal balance until maturity, acceleration or demand, according to the tenor hereof, at a floating rate per annum equal to 1.25% OVER

prime rate ("Prime Rate") but in no event shall said floating rate exceed the maximum rate permitted by applicable law. Any change in such floating rate shall be effective

NEXT DUSTRESS day following Change — without notice to the understand interest after maturity, acceleration or demand shall be payable at a rate per annum equal to ________ the floating rate charged on the date of such maturity, acceleration or demand, but in no event shall the rate exceed the maximum rate permitted by applicable law. Interest shall be calculated on the basis of a 360-day year and actual days elapsed from date until paid. If the interest is not paid when due, it shall thereafter pear interest in the same manner and at the same rate as principal.

Upon the occurrence, with respect to the undersigned, or any endorser or guarantor, of any of the following events, any one of which shall constitute an event of default:

- (a) The compayment when due of this Floating Prime Rate Note or any other obligation of any nature or description to Bank;
- (b) The death, failure in business, dissolution or termination of existence of any of them;
- (c) Any petition in bankruptcy being filed by or against any of them or any proceedings in bankruptcy, insolvency or under any other laws relating to the relief of debtors, being commenced for the relief or readjustment of any indebtedness of any of them, either through reorganization, composition, extension or otnerwise.
- (d) The making by any of them of an assignment for the benefit of creditors;
- (e) The appointment of a receiver of any property of any of them; (f) Any sezure, vesting of rights of or intervention by or under any authority of any government, by which the management of any of them is displaced or the authority of any of them in the conduct of their business is curtailed;
- (g) The entry of a judgment against any of them; th). The attachment or distraint of any funds or other property of any of them which may be in, or come into, the possession or control of Bank, or of any mand party, acting for Bank, or the same funds of property becoming subject at any time to any mandatory order of court or other legal process.
- (i) The failure to furnish timely financial information or to permit inspection of books or records;
- (i) The making of any misrepresentation to Bank in obtaining credit by the undersigned; or
- (4) in Bank's opinion, the impairment of the financial responsibility of any of them; these could any time after the happening of any such event of default, this Floating Prime Rate Note and any other obligations to Bank of the undersigned andror any e-dorser or guarantor, whether created directly or acquired by assignment, whether absolute or contingent, shall forthwith be due and payable without demand upon or notice to the undersigned or any endorser or guarantor.

Both principal and interest on this Floating Prime Rate Note are payable in lawful currency of the United States of America without deduction for or on account of any present or future taxes, duties or other charges levied or imposed on this Floating Prime Rate Note or the proceeds or holder thereof by

any government or any political subdivision or taxing authority thereof. In the event this Floating Prime Rate Note is placed in the hands of an attorney for collection, the undersigned and any endorser or guarantor agree to pay all costs and expenses of Bank including reasonable attorneys' fees. The term "reasonable attorneys' fees" shall be construed to include reasonable attorneys' fees incurred in any and all judicial, bankruptcy and other proceedings (including appellate level proceedings) whether such proceedings before or after entry of a final judgment and whether or not suit be brought.

All extensions of time for payment, whether by operation of law, judicial proceedings, or otherwise, shall be included in the computation of interest.

CL 2690 # # (160)

O All obligations herein shall be the individual obligation of the undersigned unless requisite corporate action has been taken to make this Floating Prime Rate Note an enforceable corporate obligation, and all obligations herein shall be construed as the joint and several obligations of each of the undersigned where there is more than one.

The undersigned and any endorser or guarantor hereby waives diligence, demand, presentment for payment, protest and notice of nonpayment.

This Floating Prime Rate Note shall be governed, and construed in accordance with the laws of the State of California.

This Floating Prime Rate Note shall be governed, and construed in accordance with the laws of the State of California.

Sycan River Ranch Partnership

Name of Borrowor

William J. Pendola, Jr., Partner

	0735-000747	November 01, 1985
	CCI NUMBER PRODUC	Tourses CODE
\$216,615.00	00 275 2053	PAYMENTS

First Interstate Banks Prime Plus 1.25% OVER

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s 156,497,00**

EXHIBIT "C'UNGOGO ON Preventing the content of the property of the

Grass Valley

June 24 On Demand, or if no Demand is made, then on Nov. 01, 1985 after date, for value received, undersigned promises to pay to the order of FIRST INTERSTATE BANK OF CALIFORNIA ("Bank") at its Grass Valley Office, at Grass Valley California Month be sum of One Hundred Fifty-Six Thousand Four Hundred Ni Dollars (\$ 156,497.00), with interest, payable _ Seven and no/100 - - - - - from the date hereof on the unpaid principal balance until maturity, acceleration or demand, according to the tenor hereof, at a floating rate per annum equal to 1_25% OVFR _______Bank's interest rate which from time to time is announced by Bank as its prime rate ("Prime Rate"), but in no event shall said floating rate exceed the maximum rate permitted by applicable law. Any change in such floating rate shall be effective Next Business Day Following Change ---- without notice to the undersigned. Interest the floating rate charged on the date of such maturity, acceleration or demand, but in no event shall the rate exceed the maximum rate permitted by applicable law. Interest shall be calculated on the basis of a 360-day year and actual days elapsed from date until paid. If the interest is not paid when due, it shall thereafter bear interest in the same manner and at the same rate as principal.

Upon the occurrence, with respect to the undersigned, or any endorser or guarantor, of any of the following events, any one of which shall constitute an event of default:

- (a) The nonpayment when due of this Floating Prime Rate Note or any other obligation of any nature or description to Bank;
- (b) The death, failure in business, dissolution or termination of existence of any of them:
- (c) Any petition in bankruptcy being filed by or against any of them or any proceedings in bankruptcy, insolvency or under any other laws relating to the relief of debtors, being commenced for the relief or readjustment of any indebtedness of any of them, either through reorganization, composition, extension or otherwise:
- (d) The making by any of them of an assignment for the benefit of creditors:
- (e) The appointment of a receiver of any property of any of them;
- (f) Any seizure, vesting of rights of or intervention by or under any authority of any government, by which the management of any of them is displaced or the authority of any of them in the conduct of their business is curtailed:
- (g) The entry of a judgment against any of them;
- (h) The attachment or distraint of any funds or other property of any of them which may be in, or come into, the possession or control of Bank, or of any third party acting for Bank, or the same funds or property becoming subject at any time to any mandatory order of court or other legal process;
- (i) The failure to furnish timely firancial information or to permit inspection of books or records; (i) The making of any misrepresentation to Bank in obtaining credit by the undersigned; or
- (k) In Bank's opinion, the impairment of the financial responsibility of any of them:

then, or at any time after the happening of any such event of default, this Floating Prime flate Note and any other obligations to Bank of the undersigned and/or any endorser or guarantor, whether created directly or acquired by assignment, whether absolute or contingent, shall forthwith be due and payable. without demand upon or notice to the undersigned or any endorser or guarantor.

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All extensions of time for payment, whether by operation of law, judicial proceedings, or otherwise, shall be included in the computation of interest.

CL-2690 1-83 (360)

All obligations nerein shall be the individual obligation of the undersigned unless requisite corporate action has been taken to make this Floating Prime All obligations nerein snall be the individual obligation of the undersigned unless requisite corporate action has been taken to make this ribband prime.

Rate Note an enforceable corporate obligation, and all obligations herein shall be construed as the joint and several obligations of each of the undersigned. wagete mere is more than one.

And undersigned and any endorser or guarantor hereby waives diligence, demand, presentment for payment, protest and notice of nonpayment. This Floating Prime Rate Note shall be governed and construed in accordance with the laws of the State of California. William J. Pendola Jr., Partner Dated this -Sycan River Ranch Partnership November 01 SA A COMPANIES A SERVICE LOAN NUMBER 0735-000739 PRODUCT LINE SYCAN RIVER RANCH PARTNERSHIP CCI NUMBER 00 275 2053 BALANCE OF PRIN UNPAID PAYMENTS CREDITED ON \$156,497.00 rst Interstate Banks Prime Rate +1.25% OVER PRINCIPAL INTEREST PAID TO INTEREST DATE PAID For value inceived. I hereby, enduses and guaranee and for convent of the news here as here as the stress of the summary of the news and guaranee and for convention of the news as stressed free and and the news of the news and the news of the new

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record ...

this 1st day of July A. D. 19 85 at 3:460'clock P M., and duly recorded in Vol. M85 , of Mortgages on Page 10131

By Am Am Clerk

Fee: \$45.00

Return to:

First Interstate Bank of California P.O. Box 1428 Grass Valley, Ca. 95945