

FORM No. 755A - MORTGAGE

Vol. ME7 Page 20216, 19 87

THIS MORTGAGE, Made this 26TH day of OCTOBER  
by OLIVER R. SPIRES & DIANNE E. SPIRES, husband and wife hereinafter called Mortgagor,  
to SOUTH VALLEY STATE BANK hereinafter called Mortgagee,

WITNESSETH, That said mortgagor, in consideration of SIX HUNDRED FIFTY-FIVE THOUSAND AND NO/100 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 ATTACHED EXHIBIT "A"

(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:  
PROMISSORY NOTE IN THE AMOUNT OF \$655,000 DATED OCTOBER 25, 1987 AND MATURITY OF OCTOBER 25, 1988.

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: OCTOBER 25, 1988.

The mortgagor warrants that the proceeds of the loan represented by the above described note and this mortgage are:  
(a) for the purchase of real property, or  
(b) for an organization or (even if mortgagor is a natural person) are for business or commercial 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 \$ FULL AMOUNT 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 mortgagee 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 use S-N Form No. 1319, or equivalent.

STATE OF OREGON, } ss:  
County of KLAMATH

OLIVER R. SPIRES  
DIANNE E. SPIRES

This instrument was acknowledged before me on OCTOBER 26, 19 87,  
OLIVER R. SPIRES AND DIANNE E. SPIRES



Lydia L. Ogillem  
Notary Public for Oregon  
My commission expires 9/12/89

**MORTGAGE**  
OLIVER R. SPIRES  
DIANNE E. SPIRES  
TO  
SOUTH VALLEY STATE BANK  
AFTER RECORDING RETURN TO  
SOUTH VALLEY STATE BANK  
5215 SOUTH SIXTH STREET  
KLAMATH FALLS, OREGON 97603

(DON'T USE THIS SPACE, RESERVED FOR RECORDING LABEL IN COUN. TIES WHERE USED.)

STATE OF OREGON, } ss.  
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/reel/volume No. \_\_\_\_\_ on page \_\_\_\_\_ or as fee/file/instrument/microfilm/reception No. \_\_\_\_\_ Record of Mortgage of said County.  
Witness my hand and seal of County affixed.  
NAME \_\_\_\_\_ TITLE \_\_\_\_\_  
By \_\_\_\_\_ Deputy

20267

EXHIBIT "A"  
LEGAL DESCRIPTION

PARCEL 1:

A piece or parcel of land situated in the SE1/4 SW1/4 of Section 33, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at the intersection of the Southerly right of way line of South Sixth Street and the Westerly right of way of the O.C. & E. Railroad spur; said point being also the Northeasterly corner of that parcel of land conveyed at page 8265 of Volume M68, of Klamath County Deed Records; thence North 58 degrees 24' 45" West along the Southerly right of way line of South Sixth Street 218.95 feet to a point; thence North 55 degrees 48' 55" West along said right of way line 180.4 feet to the most Northerly corner of that parcel of land conveyed at page 5330 of Volume M72 of Klamath County Deed Records; thence South 0 degrees 45' East 451.4 feet to a point; thence North 88 degrees 11' 20" East 203.85 feet to a point; thence South 0 degrees 51' 30" East 57.0 feet to a point; thence North 89 degrees 15' East 129.0 feet to a point on the West right of way line of the O.C. & E Railroad spur; thence North 0 degrees 45' West along said right of way spur 284.2 feet to the point of beginning.

PARCEL 2:

A piece or parcel of land situated in the SE1/4 SW1/4 of Section 33, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon being more particularly described as follows:

Beginning at a point on the Westerly right of way line of the O.C. & E Railroad spur as the same is presently located and constructed from which the Northeasterly corner of that parcel of land conveyed on page 8265 of Volume M68 of Klamath County Deed Records bears North 0 degrees 45' West 284.2 feet distance; thence South 0 degrees 45' East along said railroad right of way 249.0 feet to a point; thence along a circular curve to the left (having a central angle of 14 degrees 25' 10" a radius of 429.51 and a long chord which bears South 7 degrees 57' 35" East 107.8 feet) a distance of 108.1 feet to a point; thence South 89 degrees 15' West 286.55 feet to a point; thence North 37 degrees 52' 10" West 284.80 feet to a point; thence North 1 degree 48' 40" West 180.0 feet to a point; thence North 88 degrees 11' 20" East 319.2 feet to a point; thence South 0 degrees 51' 30" East 57.0 feet to a point; thence North 89 degrees 15' East 129.0 feet, more or less to the point of beginning.



SPIRES, OLIVER R. & DIANNE E.

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EXHIBIT A

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PARCEL 3:

A Parcel of land situated in the SW1/4 of Section 33, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the South line of Section 33, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, from which the South quarter corner of said Section 33 bears North 89 degrees 26' East 313.83 feet distant; thence North 0 degrees 45' West 4.0 feet to an existing iron pin reference monument; thence North 0 degrees 45' West 176.00 feet to an existing iron pin; thence North 89 degrees 14' 40" East 166.00 feet to an existing iron pin; thence North 0 degrees 45' 30" West 76.50 feet to an existing iron pin; the same is presently located and constructed; thence following said right of way line along a 13.34 degree curve to the right, the long chord of which bears North 21 degrees 39' 25" West 72.70 feet, a distance of 72.8 feet to an iron pin; thence North 37 degrees 52' 10" West 286.55 feet to an iron pin; thence North 1 degree 48' 40" West 180.0 feet to a point; thence North 88 degrees 11' 20" East 115.35 feet to a point on the Southwest corner of that parcel designated as Parcel A in recorded survey no. 1922; thence North 0 degrees 45' West along the Westerly boundary of said Parcel A, 451.4 feet to a point on the Southerly right of way boundary of South Sixth Street as the same is presently located and constructed; thence North 68 degrees 29' 25" West along the Southerly right of way line of South Sixth Street 429.1 feet to a point on the Easterly right of way line of the Southern Pacific Railroad projected Northerly; thence South 0 degrees 45' East along said right of way line projected and along said right of way line 1195.1 feet to its intersection with the Northerly right of way line of the O.C. & E. Railroad; thence South 51 degrees 58' East along said Northerly right of way line 241.2 feet to its intersection with the South line of Section 33, Township 38 South, Range 9 East of the Willamette Meridian; thence north 89 degrees 26' East 415.45 feet, more or less, along said Section line to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Company

of November

A.D. 19 87

at 10:34 o'clock

A.M., and duly recorded in Vol. 20206

the 6th day

1987

on Page 20206

By Evelyn Biehn, County Clerk

FEE \$15.00