

ON **3402** Vol. **m89** Page **14250**
 THIS MORTGAGE, Made this **25TH** day of **JULY**, 19 **89**,
 by **FOUR STAR, INC. AN OREGON CORPORATION** hereinafter called Mortgagor,
 to **SOUTH VALLEY STATE BANK** hereinafter called Mortgagee,

WITNESSETH, That said mortgagor, in consideration of **---TWENTY THOUSAND AND NO/100---**
---Dollars, to mortgagee paid by said mortgagee, does hereby grant,
 bargain, sell and convey unto said mortgagee, mortgagee's 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" BY THIS REFERENCE MADE A PART HERETO.

(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, mortgagee's heirs, executors, administrators
 and assigns forever.

This mortgage is intended to secure the payment of a certain promissory note, described as follows:
 A PROMISSORY NOTE DATED JULY 25, 1989 TO FOUR STAR, INC. IN THE AMOUNT OF \$20,000.00
 MATURING JULY 1, 1993.

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:
JULY 1, 1993 WITH RIGHTS TO FUTURE ADVANCES AND RENEWALS.

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) for business or commercial purposes.
 And said mortgagor covenants to and with the mortgagee, mortgagee's heirs, executors, administrators and assigns, that mortgagor 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 mortgagor will pay said note, principal and interest according to the terms thereof; that while
 any part of said note remains unpaid mortgagor 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 mortgagor 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 mortgagor
 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 \$ 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 mortgagee's interest may appear and will deliver all policies of insurance on said
 premises to the mortgagee as soon as insured; that mortgagor 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, if 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; if 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, time being
 of the essence with respect to such payment and/or performance, 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 mortgagee's option do so, and any pay-
 ment 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, how-
 ever, 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, administra-
 tors 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
 includes the plural, and all grammatical changes shall be made so that this mortgage shall apply equally to corporations and to individuals.

IN WITNESS WHEREOF, said mortgagor has hereunto set his hand the day and year first above written.

FOUR STAR, INC.

BY: *Steven E. McManus Pres*
 STEVEN E. MCMANUS, PRESIDENT
Sherry E. McManus
 SHERRY E. MCMANUS, SECRETARY

*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 dis-
 closures; for this purpose use S-N Form No. 1319, or equivalent.

STATE OF OREGON,

County of **KLAMATH** } ss:

This instrument was acknowledged before me on **July 31**, 19**89**

by **STEVEN E. MCMANUS AND SHERRY E. MCMANUS, AS PRESIDENT AND SECRETARY OF FOUR STAR, INC.**



Dorene Madden
 Notary Public for Oregon
 My commission expires **10.5.90**

MORTGAGE

FOUR STAR, INC.

TO

SOUTH VALLEY STATE BANK

No.

AFTER RECORDING RETURN TO
 SOUTH VALLEY STATE BANK
 5215 S 6TH STREET
 KLAMATH FALLS OR 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 instru-
 ment 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

09 AUG 2 11 54

MTC No: 21772

EXHIBIT "A"
LEGAL DESCRIPTION

The following described real property situated in Klamath County, Oregon:

PARCEL 1

The SE1/4 of SW1/4 of Section 13, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, SAVE AND EXCEPTING the following described tract:

A tract of land in SE1/4 SW1/4 of Section 13, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, particularly described as follows: Beginning at the point of intersection of the North line of the County Road known as Airway Avenue, and the West line of the "G" Lateral, also known as "A-4" Lateral, described in Deed to the United States of America, recorded June 3, 1910, in Volume 29 page 277, Deed Records of Klamath County, Oregon; thence North along the West line of said "G" Lateral, also known as "A-4" Lateral, 120.0 feet to a point; thence West and parallel to said County Road 234 feet to the East line of "G-3" Lateral, also known as "A-4-A" Lateral, described in deed to the United States of America, recorded June 3, 1910 in Volume 29 page 277; thence Southwesterly along the Easterly line of said "G-3" Lateral, also known as "A-4-A" Lateral, 205 feet to a point on the North line of said Airway Avenue; thence East along the North line of said Airway Avenue, 332 feet to the point of beginning.

ALSO EXCEPTING THEREFROM that portion deeded to Conrado R. Roman and Deborah R. Navarrete, dated May 3, 1985, recorded May 6, 1985 in Volume M85 page 6661, Deed Records of Klamath County, Oregon.

PARCEL 2

That part of the SW1/4 of SW1/4 of Section 13, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, lying Easterly of the following described line:

Beginning at a point on the South line of said Section 13, which is 707 feet East of the corner common to Sections 13, 14, 23 and 24 of said Township and Range; thence North 0 degrees 40' East a distance of 736.6 feet, to a point which is 82.5 feet Easterly from the centerline of the U.S.R.S., 1-C-1-A drain ditch; thence along a line parallel to said drain ditch, North 25 degrees 23' East 386.3 feet; thence North 4 degrees 34' East 287.5 feet, more or less, to the North line of the drain ditch along the North boundary of the S1/2 of the SW1/4 of said Section 13. EXCEPTING THEREFROM, any portion lying in roads or highways.

Tax Account No: 3909 01300 01500

FOUR STAR, INC.

STEVEN E AND SHERRY E MCMANUS

STATE OF OREGON: COUNTY OF KLAMATH: ss. *Sm*

Filed for record at request of S. Valley State Bank the 2nd day of Aug. A.D. 19 89 at 11:54 o'clock A. M., and duly recorded in Vol. M89 of Mortgages on Page 14250.

FEE \$13.00

Evelyn Biehn County Clerk

By Dorlene Muelenale