

FM No. 755A - MORTGAGE.

MIT-21662-8

OK 3876 29TH day of JUNE, 1989  
THIS MORTGAGE Made this  
by MICHAEL DEAN CULLEN, \*BRUCE BRIAN CULLEN AND SCOTT RENE CULLEN,  
NOT AS TENANTS IN COMMON, BUT WITH THE RIGHT OF SURVIVORSHIP hereinafter called Mortgagor,  
to \*AKA BRUCE BRYAN CULLEN  
SOUTH VALLEY STATE BANK hereinafter called Mortgagee,  
WITNESSETH, That said mortgagor, in consideration of FORTY NINE 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 prop-  
erty situated in KLAMATH County, State of Oregon, bounded and described as follows, to-wit:

SEE ATTACHED EXHIBIT A BY THIS REFERENCE MADE A PART HEREOF.

(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 DATED JUNE 29, 1989 IN THE NAME OF SCOTT R. CULLEN IN THE AMOUNT OF  
\$49,000.00 WITH MATURITY OF JUNE 30, 1994.

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:  
JUNE 30, 1994 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 estate or for the improvement of real estate;  
(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 pay-  
ment 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 prem-  
ises 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 insur-  
ance 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, 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  
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 dis-  
closures; for this purpose use S-N Form No. 1319, or equivalent.

STATE OF OREGON,

County of KLAMATH

MICHAEL DEAN CULLEN, BY MICHAEL DEAN CULLEN  
BRUCE BRIAN CULLEN AKA BRUCE BRYAN CULLEN  
SCOTT RENE CULLEN

This instrument was acknowledged before me on June 29, 1989,

by Bruce Bryan Cullen

Law A. Bug  
Notary Public for Oregon  
My commission expires 12-13-91

NOTARY

PUBLIC MORTGAGE

MICHAEL DEAN, BRUCE BRIAN,  
AND SCOTT RENE CULLEN  
1731 Lakeshore Dr. Klamath Falls, OR 97603  
SOUTH VALLEY STATE BANK  
5215 S 6th  
Klamath Falls OR 97603

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

STATE OF OREGON,  
County of } ss.  
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

No. AFTER RECORDING RETURN TO  
SOUTH VALLEY STATE BANK  
5215 SOUTH SIXTH STREET  
KLAMATH FALLS, OR 97603

EXHIBIT "A"  
LEGAL DESCRIPTION

15068

A tract of land described as follows:

Beginning at an iron pin on the South line of the NW1/4 of the NW1/4 of Section 25, Township 38 South, Range 8 East of the Willamette Meridian, which lies 400 feet West along said South line of the NW1/4 of the NW1/4 of Section 25 from its intersection with the Southerly right-of-way line of the Rock Creek Road; and running thence North 14 degrees 32' East 145.3 feet to an iron pin which marks the most Northerly corner of property heretofore conveyed by deed recorded at page 25, Volume 141, Deed Records of Klamath County which pin is the true point of beginning; and running thence North 14 degrees 32' East 93 feet, more or less, to the Southerly boundary of the Rock Creek Road; thence Easterly along the Southerly boundary of the Rock Creek Road to a point which bears North 30 degrees 05' East from the point of beginning; thence South 30 degrees 5' West to the point of beginning, said Tract being a portion of the NW1/4 NW1/4 of Section 25, Township 38 South and Range 8 East of Willamette Meridian, in Klamath County, Oregon.

A portion of the NW1/4 NW1/4 of Section 25, Township 38 South, Range 8 East of the Willamette Meridian, more particularly described as follows:

Beginning at a point which bears West a distance of 277.3 feet and North 14 degrees 07' East a distance of 77.4 feet from the intersection of the South line of said NW1/4 NW1/4 with the Southwesterly boundary line the Rock Creek Road (Lakeshore Drive); thence continuing North 58 degrees 02' West a distance of 123.9 feet to a point which marks the most Northerly corner of that certain parcel conveyed by Deed Volume 141, page 25 Deed Records of Klamath County, Oregon; thence North 14 degrees 32' West a distance of 58.0 feet to a point; thence North 35 degrees 32' East a distance of 34.2 feet, more or less, to a point on the Southwesterly line of the Rock Creek Road; thence South 55 degrees 38' East along said Southwesterly line of Rock Creek Road, a distance of 112.0 feet more or less, to a point which bears North 14 degrees 07' East from the point of beginning; thence South 14 degrees 07' West a distance of 87.9 feet, more or less, to the place of beginning.

Tax Account No: 3808 025BB 02100  
3808 025BB 02200

STATE OF OREGON,

County of Klamath

ss.

FORM NO. 23 — ACKNOWLEDGMENT  
STEVENS-NEES LAW PUB. CO., PORTLAND, ORE.

BE IT REMEMBERED, That on this 4th day of August, 19 89,

before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named SCOTT RENE CULLEN, INDIVIDUALLY AND AS ATTORNEY IN FACT FOR MICHAEL D. CULLEN (aka Michael Dean Cullen)

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

*Pauline M. Biehne*  
Notary Public for Oregon  
My Commission expires 8-16-92

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 15th day of Aug. A.D., 19 89 at 9:59 o'clock A.M., and duly recorded in Vol. M89 of Mortgages on Page 15067.

FEE \$13.00

Evelyn Biehne, County Clerk

By Pauline M. Biehne