

Q1 5126 Vol. m89 Page 17216
 THIS MORTGAGE, Made this 8TH day of SEPTEMBER, 1989,
 by MONTI'S CONSTRUCTION, INCORPORATED
 hereinafter called Mortgagor,
 to SOUTH VALLEY STATE BANK

hereinafter called Mortgagee,
 WITNESSETH, That said mortgagor, in consideration of FORTY FIVE THOUSAND TWO HUNDRED 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 SEPTEMBER 8, 1989 IN THE AMOUNT OF \$45,200.00 IN THE NAME
 OF MONTI'S CONSTRUCTION, INCORPORATED WITH A MATURITY OF JUNE 30, 1990.

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, 1990 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:

(1) 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, 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; 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, 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 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

SS:

This instrument was acknowledged before me on September 12, 1989,

by Martin J. Monti & James J. Monti, President & Vice President
 of Monti's Construction, Inc.

(SEAL)

MONTI'S CONSTRUCTION, INCORPORATED

BY: MARTIN J. MONTI, PRESIDENT

BY: JAMES J. MONTI, VICE-PRESIDENT

Notary Public for Oregon

My commission expires 3-22-93

MORTGAGE

MONTI'S CONSTRUCTION,

INCORPORATED

TO

SOUTH VALLEY STATE BANK

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

AFTER RECORDING RETURN TO
 SOUTH VALLEY STATE BANK
 801 MAIN STREET
 KLAMATH FALLS, OR 97601

STATE OF OREGON,

County of } SS.

I certify that the within instru-
 ment was received for record on the
 day of 1989,
 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

EXHIBIT "A"

A tract of land situated in Lot 11 of LAKESHORE GARDENS, a duly recorded subdivision. Said tract being in the NE 1/4 SE 1/4 of Section 25, Township 38 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at the Northeast corner of said Lot 11; thence South 68 degrees 11' West 100.10 feet to the Northerly corner common to Lot 12 and said Lot 11; thence South 15 degrees 00' East along the lot line common to said Lots 11 and 12, 125.00 feet to a 1" pipe marking the Southeasterly corner of the tract of land described in Deed Volume 316, Page 626, of the Klamath County Deed Records; thence North 67 degrees 29' 10" East 105.64 feet to a point on the Easterly boundary of said Lot 11, said point being North 17 degrees 30' 00" West 118.47 feet from the Southeast corner of said Lot 11; thence North 17 degrees 30' 00" West 121.14 feet, more or less, to the point of beginning.

CODE 190 MAP 3808-25DA TL 3000 KEY #424650
(Covers additional property)

MONTI'S CONSTRUCTION, INCORPORATED

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co. the 13th day
of Sept. A.D., 19 89 at 10:40 o'clock AM., and duly recorded in Vol. M89
of Mortgages on Page 17216.

FEE \$13.00

Evelyn Biehn - County Clerk

By Pauline Muller et al