

ON **19151** 17TH day of AUGUST, 19 90,  
 THIS MORTGAGE, Made this  
 by WILLIAM E STOVALL, JR. AND PAULA B STOVALL, AS TENANTS BY THE ENTIRETY  
 hereinafter called Mortgagor,  
 to SOUTH VALLEY STATE BANK  
 hereinafter called Mortgagee,

WITNESSETH, That said mortgagor, in consideration of -----TEN THOUSAND AND NO/100-----  
 Dollars, to mortgagor 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:  
 LOAN NO. 301189 IN THE AMOUNT OF \$10,000.00 TO WILLIAM E STOVALL, JR. AND PAULA B STOVALL,  
 DATED AUGUST 17, 1990, MATURING AUGUST 10, 1995

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:  
 AUGUST 10, 19 95 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:

solely for the purpose of paying 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  
 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 keep the building and improvements on said premises in good repair and will not commit or suffer  
 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 FULL 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; 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 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 mortgagees may be more than one person; that if the contest 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.

\*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

August 17, 19 90

by William E. Stovall & Bonnie B. Stovall

(SEAL)

Notary Public for Oregon  
 My commission expires

DEBRA L. WETLE

NOTARY PUBLIC

My Commission Expires 9-8-90

## MORTGAGE

WM AND PAULA B STOVALL

TO

SOUTH VALLEY STATE BANK

AFTER RECORDING RETURN TO

SOUTH VALLEY STATE BANK  
 801 MAIN STREET  
 KLAMATH FALLS OR 97601

(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

16770

16958

MTC No: 21940

EXHIBIT "A"  
LEGAL DESCRIPTION

A parcel of land located in the N1/2 SE1/4 of Section 20, Township 37 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point on the East line of Section 20, Township 37 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, from which point the East one-quarter corner of said Section 20 bears North 01 degrees 07' 21" East 610.03 feet; thence along the East line of said Section 20 South 01 degrees 07' 21" West 697.00 feet to the S1/16 corner common to Sections 20 and 21; thence along the South line of the N1/2 SE1/4 of Section 20 North 88 degrees 13' 07" West 1664.95 feet to a point on the Easterly right-of-way line of Old Fort Road; thence along said right-of-way line North 37 degrees 31' 11" West 17.79 feet; thence following said right-of-way line 294.67 feet along the arc of a 1243.24 foot radius curve to the right, the long chord of which bears North 30 degrees 43' 47" West 293.99 feet; thence continuing along said right-of-way line North 23 degrees 56' 22" West 493.15 feet; thence, leaving said right-of-way line, South 87 degrees 57' 55" East 2040.25 feet to the point of beginning.

Tax Account No: 3709 02000 00600 (Covers other property)

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of S. Valley State Bank the 21st day  
of Aug. A.D., 19 90 at 11:23 o'clock AM., and duly recorded in Vol. M90  
of Mortgages on Page 16769.

FEE \$13.00

Evelyn Biehn, County Clerk

By Pauline Muelandore