

SN **36161** Vol. **mq** Page **21645**

THIS MORTGAGE, Made this 20TH day of SEPTEMBER, 1991,  
 by BETTINA MARY O'LEARY AKA BETTINE O'LEARY, AN ESTATE IN FEE SIMPLE  
 hereinafter called Mortgagor,  
 to SOUTH VALLEY STATE BANK  
 hereinafter called Mortgagee,

WITNESSETH, That said mortgagor, in consideration of FIFTEEN THOUSAND AND NO/100-(\$15,000.00)  
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 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, his heirs, executors, administrators and  
 assigns forever.

This mortgage is intended to secure the payment of a certain promissory note, described as follows:

LOAN #204697 DATED SEPTEMBER 20, 1991 TO GEORGE W SHELTON AND GLADYS SHELTON IN THE  
 AMOUNT OF \$15,000.00 AND MATURING MARCH 25, 1994.

THIS MORTGAGE IS GIVEN TO SECURE A PROMISSORY NOTE DATED SEPTEMBER 20, 1991 ON BEHALF OF  
 GEORGE W SHELTON AND GLADYS SHELTON TO SECURE THE BENEFICIARY UNDER LOAN #204697

The mortgagor warrants that the proceeds of the loan represented by the above described note and this mortgage are:

(a) primarily for mortgagor's personal, family, household or agricultural purposes (see Important Notice below)

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 hereafter be 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 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 pay-  
 ment 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 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 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 mortgagor agrees to pay all reasonable  
 costs incurred by the mortgagee for title reports and title search, all statutory costs and disbursements and such further sum as the trial court may adjudge  
 reasonable as plaintiff's attorney's fees in such suit or action, and if an appeal is taken from any judgment or decree entered therein mortgagor further  
 promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal, all such sums to be secured by the  
 lien of this mortgage and included in the decree of foreclosure. 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 to the payment of the amount due under this mortgage, first deducting all proper charges and expenses attending  
 the execution of said trust.

In construing this mortgage, it is understood that the mortgagor or mortgagee may be more than one person; that if the contest 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 re-  
 quired disclosures; for this purpose, if this instrument is to be a FIRST  
 lien to finance the purchase of a dwelling, use S-N Form No. 1303 or  
 equivalent; if this instrument is NOT to be a first lien, use S-N Form  
 No. 1306, or equivalent.

GLADYS AS CONSERVATOR AND GUARDIAN FOR  
 BETTINA MARY O'LEARY AKA BETTINA O'LEARY

X Gladys Shelton  
 GLADYS SHELTON

STATE OF OREGON, County of KLAMATH, ss:

Personally appeared the above named GLADYS SHELTON

OFFICIAL SEAL

MINDY KUTLEDGE

NOTARY PUBLIC - OREGON

COMMISSION NO. 219678

MY COMMISSION EXPIRES AUG. 6, 1993

and acknowledged the foregoing instrument to be her voluntary act and deed.

Before me:

My commission expires: 3-6-93

Notary Public for Oregon

## MORTGAGE

BETTINA MARY O'LEARY AKA  
BETTINA O'LEARY

TO

SOUTH VALLEY STATE BANK

No.

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 KLAMATH, ss.

I certify that the within instru-  
 ment was received for record on the  
 day of SEPTEMBER, 1991,

at 10 o'clock M., and recorded  
 in book 1 on page 21645 or as  
 filing fee number 3-643

Record of Mortgages of said County.

Witness my hand and seal of  
 County affixed.

By Gladys Shelton Title.  
 Deputy.

## EXHIBIT "A"

## PARCEL 1:

The Easterly half of Lot 51, Lot 52 and Lot 53, Block 18, INDUSTRIAL ADDITION to the City of Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon.

## PARCEL 2:

Lot 54, 55, and the Northwesternly 5 feet of Lot 56, Block 18, INDUSTRIAL ADDITION to the City of Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon.

## PARCEL 3:

Beginning at the Northeasterly corner of Lot 58, Block 18, INDUSTRIAL ADDITION to the City of Klamath Falls, Oregon, being the corner of Stukel and Martin Streets, thence Westerly along the Southerly line of Martin Street 70 feet; thence Southerly at right angles to Martin Street, 37 feet; thence Easterly parallel with Martin Street 70 feet to the West line of Stukel Street; thence Northerly along the Westerly line of Stukel Street 37 feet to the point of beginning, being a part of Lots 56, 57, and 58 of said Block 18 of INDUSTRIAL ADDITION to Klamath Falls, Oregon.

## PARCEL 4:

All that portion of Lots 56, 57, and 58 in Block 18, INDUSTRIAL ADDITION to the City of Klamath Falls, Oregon: beginning on the Northwesternly side of Stukel Street at a point thereon distant 77 feet from the Southerly line of Martin Street, thence Southerly along Stukel Street 38 feet to the Northerly line of alley through said Block; thence Westerly along line of the alley, 70 feet, thence Northerly and parallel with Stukel Street 38 feet, thence Easterly and parallel with Martin Street 70 feet to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of S. Valley State Bank the 16th day  
of Oct. A.D., 19 91 at 2:26 o'clock P.M., and duly recorded in Vol. M91  
of Mortgages on Page 21645.

FEE \$13.00

Evelyn Biehn - County Clerk

By Dorlene Mullen