

ON

**37033**THIS MORTGAGE, Made this 30TH day of OCTOBER, 1991,  
by KAREN COFFMANto SOUTH VALLEY STATE BANK hereinafter called Mortgagor,WITNESSETH, That said mortgagor, in consideration of TEN THOUSAND AND NO/100-- (\$10,000.00) hereinafter called Mortgagee,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: LOTS 9 AND 10 AND THE NORTH 106.4 FEET OF LOT 11, BLOCK 50, FIRST ADDITION TO KLAMATH FALLS, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

(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 #301489 DATED 10/30/91 TO ROGER W. THOMPSON AND KAREN THOMPSON IN THE AMOUNT OF \$10,000.00 AND MATURING 3/15/92.

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: MARCH 15, 1992 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) \* primarily for mortgagor's personal, family or household purposes (see Important Notice below);

(b) ~~for the purchase, construction, improvement or refinancing of real property, or for the payment of taxes or other charges on real property, or for the payment of the principal of or interest on a mortgage on real property.~~And said mortgagor, in consideration of the sum of TEN THOUSAND AND NO/100-- (\$10,000.00) 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 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 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, 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 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 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, 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, 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.

\* 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 disclosures; for this purpose use 5-N Form No. 1319, or equivalent.

Karen Coffman Karen Thompson  
KAREN COFFMAN, AKA KAREN THOMPSON

STATE OF OREGON,

County of Klamath } SS:This instrument was acknowledged before me on October 30, 1991,by Karen Coffman, AKA Karen Thompson

(SEAL)

Notary Public for Oregon

My commission expires 06/12/92

## MORTGAGE

KAREN COFFMAN

TO

SOUTH VALLEY STATE BANKAFTER RECORDING RETURN TO  
SOUTH VALLEY STATE BANK  
801 MAIN ST  
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  
6th day of Nov., 1991,  
at 2:27 o'clock P.M., and recorded  
in book/reel/volume No. M91 on  
page 23296 or as fee/file/instrument/  
microfilm/reception No. 37033,  
Record of Mortgage of said County.Witness my hand and seal of  
County affixed.Evelyn Biehn, County Clerk

NAME

TITLE

By Ronnie Mulender Deputy

Fee \$8.00

23295

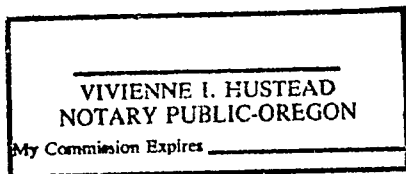
11-6-91

Dennis Murphy,  
pasturage lessee

6909 Henley Road  
Klamath Falls, OR 97603

Neal G. Buchanan  
NEAL G. BUCHANAN

SUBSCRIBED AND SWORN to before me this 6<sup>th</sup> day of  
November, 1991



Vivienne I. Hustead  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 4-11-93

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Neal G. Buchanan the 6th day  
of Nov. A.D., 19 91 at 2:20 o'clock PM., and duly recorded in Vol. M91,  
of Mortgages on Page 23291.

FEE \$28.00

Evelyn Biehn - County Clerk

By Orlene Mulendore

Return: Neal G. Buchana  
601 Main St. #215  
Klamath Falls, Or. 97601

PROOF OF MAILING NOTICE OF DEFAULT  
AND FORFEITURE OF CONTRACT

STATE OF OREGON           )  
                                  ) ss.  
County of Klamath        )

I, NEAL G. BUCHANAN, being first duly sworn, depose and say:

I am the attorney for JOHN D. ALARCON and DARLENE ALARCON, sellers under a contract between JOHN D. ALARCON and DARLENE ALARCON, Tenants in Common as sellers, and BRENDAN CAPITAL CORP., as purchaser. A Memorandum of said contract was recorded the 24th day of May, 1989 at Volume M89, Page 8986, Deed Records of Klamath County, Oregon, covering the real property described on Exhibit A, attached hereto and incorporated by this reference herein as if fully set forth.

I hereby certify that I mailed, by first class mail and by certified mail, return receipt requested, a copy of the attached NOTICE OF DEFAULT AND FORFEITURE OF CONTRACT to the persons listed below on the date and to the address indicated which was the last address known to the seller, by placing said NOTICE in a sealed envelope, with postage fully paid thereon, and depositing the same in the United States mails at Klamath Falls, Oregon:

Date:	Person:	Address:
11-6-91	Brendan Capital Corp.	c/o Registered Agent Owen B. McCullen Armstrong, McCullen, et al Attorneys at Law 1420 Green Acres Road Eugene, Oregon 97401-1753
11-6-91	U.S. Trustee	U.S. Bankruptcy Court District of Oregon 44 W. Broadway, Ste. 500 Eugene, Oregon 97401
11-6-91	Ronald R. Sticka, Trustee	Attorney at Law P.O. Box 11038 Eugene, Oregon 97440-3238
11-6-91	David B. Mills, of Attorneys for Ronald R. Sticka, Trustee	Hammons, Mills & Spickerman Attorneys at Law 1342 High, Suite 3 Eugene, Oregon 97401
11-6-91	Wray Partnership, an Oregon general partnership	c/o Michael B. Wray, Registered Agent W. C. Ranch 17356 Hill Road Klamath Falls, OR 97603

## EXHIBIT "A"

## DESCRIPTION OF PROPERTY

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

## PARCEL 1:

All those parts of the SW $\frac{1}{4}$ NE $\frac{1}{4}$  and NW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 21, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, which lies Northeasterly of the Northeasterly boundary of the right of way of Lost River Diversion Canal.

EXCEPTING THEREFROM beginning at the Northeast corner of the SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 21, Township 39 South, Range 9 East of the Willamette Meridian; thence West 343 feet; thence in a Southeasterly direction following Drain No. 1, 630 feet intersecting the East line of the SW $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section; thence North 450 feet to the point of beginning.

AND ALSO EXCEPTING beginning at a point 350 feet West of the Northeast corner of SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 21, in Township 39 South, Range 9 East of the Willamette Meridian, which point is also the intersection of the Westerly line of Drain No. 1 and the center line of the County Road known as the Joe Wright Road; thence running in a Southeasterly direction along the said Westerly line of Drain No. 1, to the East line of said SW $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 21; thence South along the East line of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ , to the intersection with the Easterly line of the No. 1C-4E-1A Lateral; thence Northwesterly along the said Easterly line of said lateral a distance of 1440 feet to the center line of said County Road; thence East along the center line of said road a distance of 400 feet to the place of beginning.

## PARCEL 2:

The N $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 16, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon. EXCEPTING THEREFROM a portion conveyed to the United States of America by Deed dated July 2, 1909, recorded July 13, 1909, in Volume 26 page 321, Deed Records of Klamath County, Oregon. ALSO EXCEPTING THEREFROM that portion conveyed to Klamath County, State of Oregon, by Deed dated July 20, 1920, recorded February 15, 1926, in Volume 69 page 287, Deed Records of Klamath County, Oregon. ALSO EXCEPTING THEREFROM a 20 foot strip off the North side of said NW $\frac{1}{4}$ SW $\frac{1}{4}$ .

No. 985646/ K-43336

belong to and be retained by the Seller or other person to whom paid.


5. CURE OF DEFAULT TO AVOID FORFEITURE: Notice is given that forfeiture may be avoided under the Contract by curing the default by payment of the entire amount due, other than such portion of principal as would not then be due had no default occurred, and tendering performance of other obligations in default, together with costs and expenses actually incurred in enforcing the contract on or before the 8th day of February, ~~1991~~ 1992.

(The period specified shall be not less than 60 days, when the Purchaser has reduced the unpaid balance to an amount greater than 75 percent of the purchase price, 90 days when the Purchaser has reduced the unpaid balance to an amount which is more than 50 percent but less than 75 percent of the purchase price, or 120 days when the Purchaser has reduced the unpaid balance to an amount which is 50 percent or less of the purchase price.)

6. NAME AND ADDRESS OF SELLER'S ATTORNEY:

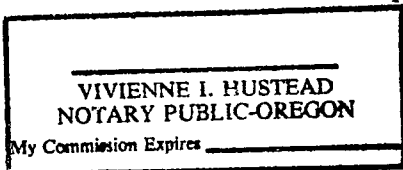
Neal G. Buchanan  
601 Main Street, Suite 215  
Klamath Falls, Oregon 97601  
(503) 882-6607 OSB #77127

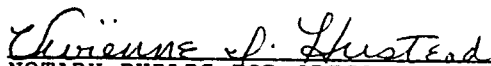
A copy of this Notice, together with an Affidavit of Mailing shall be recorded in the property records of Klamath County, Oregon. A copy shall be sent by both first class and certified mail with return receipt requested at the last known address or served pursuant to ORCP 7D(2) and 7D(3) to the purchaser, occupant of the property, any person who has filed of record the request for notice of default, and others shown in the title report, or claiming an interest in the property.

  
NEAL G. BUCHANAN  
Attorney for Seller

STATE OF OREGON           )  
                                  ) ss.  
County of Klamath       )

On this 4th day of November, 1991, personally appeared before me the above-named Neal G. Buchanan and acknowledged the above to be his voluntary act and deed.



  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 4-11-93