

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF KLAMATH

SOUTH VALLEY STATE BANK, AN
OREGON BANKING CORPORATION

Plaintiff,

vs.

TERRY L. HAGER, et al.,

Defendants.

Case No. 96 006 70 CV

NOTICE OF PENDENCY OF AN
ACTION

Pursuant to ORS 93.740, the undersigned states:

1. Plaintiff has filed an action in the Circuit Court for Klamath County, State of Oregon;

2. The Defendants are Terry L. Hager, Dessa L. Hager, Robert Rice, Personal Representative of the Estate of Donald Webster Rice, deceased; L. Elizabeth Rice, William J. Rajnus, Jr., Earl K. Allison, aka E.K. Allison and Irene M. Allison, Telephone Utilities of Eastern Oregon, Inc., Highland Community Federal Credit Union, and Claude W. Taylor and Beverly A. Taylor;

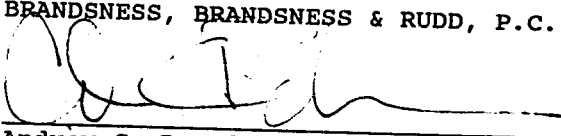
3. The object of the action is: Complaint on Promissory Notes, Judicial Foreclosure of Mortgages and Security Interests;

4. The description of the real property to be affected is:

See Exhibit "A" attached hereto and incorporated herein by reference.

DATED this 14 day of February, 1996.

BRANDSNESS, BRANDSNESS & RUDD, P.C.


Andrew C. Brandsness
OSB #83159
of Attorneys for Plaintiffs

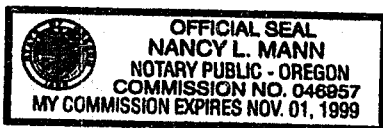
STATE OF OREGON)


County of Klamath)

ss.

February 14, 1996

Personally appeared, Andrew C. Brandsness, and acknowledged the foregoing instrument to be his voluntary act and deed. Before me:




Notary Public for Oregon
My Commission expires: 11-1-99

Return to:
Brandsness, Brandsness & Rudd, P.C.
411 Pine Street
Klamath Falls, OR 97601

EXHIBIT "A"
LEGAL DESCRIPTION

4310

PARCEL 1:

Government Lots 2, 3, 4, 5, 6, 7, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30 and 31, Section 16, Township 36 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

EXCEPTING THEREFROM any portion lying within the right of way of Great Northern Railway; and ALSO EXCEPTING the following tract of land:

Commencing at a point which is the Southwest corner of the SE1/4 of Section 16; thence North 208 feet; thence West 208 feet; thence South 208 feet; thence East 208 feet to the point of beginning.

PARCEL 2:

The NE 1/4 NE1/4 Section 28, Township 36 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 3:

The E1/2 E1/2 Section 21, Township 36 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

EXCEPTING THEREFROM that portion lying within the boundaries of Klamath Falls-Lakeview Highway.

PARCEL 4:

Government Lots 1, 8, 9, 16, 17, 24, 25, and 32, Section 16, Township 36 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

EXCEPTING THEREFROM any portion lying within the right of way of Great Northern Railway.

PARCEL 5:

The S1/2 W1/2 NW1/4 SW1/4, W1/2 SW1/4 SW1/4 Section 22 and the W1/2 W1/2 NW1/4 Section 27, Township 36 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 6:

The S1/2 NE1/4, N1/2 SE1/4, SE1/4 Section 28, Township 36 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 7:

The N1/2 NE1/4, N1/2 N1/2 SW1/4 NE1/4, N1/2 SE1/4 NE1/4 Section 33, Township 36 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

EXHIBIT "A"
LEGAL DESCRIPTION CONTINUED

4311

PARCEL 8:

The SW1/4 of Section 15, and the NW1/4 of Section 22, Township 36 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

Together with all that portion of the NW1/4 NW1/4 SW1/4 of Section 22, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, lying Northwesterly of the Klamath Falls-Lakeview Highway.

EXCEPTING THEREFROM a triangular parcel of land situated in the SW1/4 NW1/4 of Section 22, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, described as follows: Beginning at the intersection of the South line of the said SW1/4 NW1/4 with the Southeasterly right-of-way line of the Klamath Falls-Lakeview Highway; thence East along the South line of the SW1/4 NW1/4 a distance of 327 feet; thence North, at right angles to said South line 242.5 feet, more or less, to a point on the Southeasterly line of said Highway; thence Southwesterly along said Southeasterly line a distance of 408 feet, more or less, to the point of beginning. ALSO

EXCEPTING THEREFROM that portion of Section 22, lying within the boundaries of the Klamath Falls-Lakeview Highway.

PARCEL 9:

A parcel of land situated in Section 16, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Commencing at a point which is the Southwest corner of the SE1/4 of Section 16; thence North 208 feet; thence West 208 feet; thence South 208 feet; thence East 208 feet to the point of beginning.

EXHIBIT "A"
LEGAL DESCRIPTION

Government Lots 2, 3, 4, 5, 6, 7, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30 and 31 in Section 16, Township 36 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon, EXCEPTING THEREFROM any portion lying within the right of way of Great Northern Railway and ALSO EXCEPTING the following tract of land:

Commencing at a point which is the Southwest corner of the SE1/4 of Section 16; thence North 208 feet; thence West 208 feet; thence South 208 feet; thence East 208 feet to the point of beginning.

EXHIBIT "A"
Page 3 of 3

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Brandsness & Brandsness the 15th day
of Feb A.D., 19 96 at 10:36 o'clock A M., and duly recorded in Vol. M96,
of Mortgages on Page 4309.

Berneisha G. Letsch, County Clerk

FEE \$25.00

By Doreen Mulendore