

STATE OF OREGON

UNIFORM COMMERCIAL CODE
REAL PROPERTY - Form UCC-1A

FINANCING STATEMENT

THIS FORM FOR COUNTY FILING OFFICER USE ONLY

1A. Debtor Name(s): HOYAL, JEFFREY HOYAL, LORI	2A. Secured Party Name(s): J.W. KERNS, INC.	2A. Assignee of Secured Party (if any): DIVERSIFIED FINANCIAL SERVICES, INC.
1B. Debtor Mailing Address(es): 3975 BELLINGER LANE MEDFORD, OR 97501	2B. Address of Secured Party from which security information is obtainable: 4360 HIGHWAY 39 KLAMATH FALLS, OR 97603	4B. Address of Assignee: 14010 FIRST NATIONAL BANK PARKWAY, SUITE 205 OMAHA, NE 68154

3. This financing statement covers the following types (or items) of property (check if applicable):

SEE ATTACHED EXHIBIT "A" FOR LEGAL

The goods are to become fixtures on: _____ The above timber is standing on: _____

The above minerals or the like (including gas and oil), or accounts will be financed at the mouthhead or minehead of the well or mine located on: (describe real estate) 5-MODEL 8000 VALLEY IRRIGATION CENTER PIVOTS 1315' W/VALLEY SUPPLIED ACC. FREIGHT & INSTALLATION (NON-TOWABLE). 1-MODEL 8000 VALLEY IRRIGATION CENTER PIVOT 1450' W/VALLEY SUPPLIED ACC. FREIGHT & INSTALLATION (NON-TOWABLE). 6260' 15" PVC; 4100' 12" PVC; 5280' 10" PVC; 6560' 3/0 ALUM; 2700' #2 ALUM; 6880' #4 ALUM; 30 HP CORNELL PUMP/PANEL & OTHER MISC. and the financing statement is to be filed for record in the real estate records. (If the debtor does not have an interest of record) The name of a record owner is: JEFFREY HOYAL AND LORI HOYAL

 Check box if products of collateral are also covered

Number of attached additional sheets: _____

Debtor hereby authorizes the Secured Party to record a carbon, photographic or other reproduction of this form, financing statement or security agreement as a financing statement under OFS Chapter 79.

Signature of the debtor required in most cases.
Signature(s) of Secured Party in cases covered by
OFS 79.4020

By: *Jeffrey Hoyal*
Lori Hoyal

X Required signature(s)

INSTRUCTIONS

1. PLEASE TYPE THIS FORM.
2. If the space provided for any item(s) on this form is inadequate, the item(s) should be continued on additional sheets. Only one copy of such additional sheets need to be presented to the county filing officer. DO NOT STAPLE OR TAPE ANYTHING TO THIS FORM.
3. This form (UCC-1A) should be recorded with the county filing officers who record real estate mortgages. This form cannot be filed with the Secretary of State. Send the Original to the county filing officer.
4. After the recording process is completed the county filing officer will return the document to the party indicated. The printed termination statement below may be used to terminate this document.
5. The RECORDING FEE must accompany the document. The fee is \$10.00 first page, \$5.00 each additional page.
6. Be sure that the financing statement has been properly signed. Do not sign the termination statement (below) until this document is to be terminated.

Recording Party contact name: _____	TERMINATION STATEMENT
Recording Party telephone number: (800) 648-8026	This statement of termination of financing is presented for filing pursuant to the Uniform Commercial Code. The Secured Party no longer claims a security interest in the the financing statement bearing the recording number shown above.
Return to: (name and address) DIVERSIFIED FINANCIAL SERVICES, INC. 14010 FIRST NATIONAL BANK PARKWAY, SUITE 205 OMAHA, NE 68154 #5155701	By: _____ Signature of Secured Party(ies) or Assignee(s)
Please do not type outside of bracketed area.	

EXHIBIT "A"

Jeff Hoyal

19801

PURCHASE AND SALE AGREEMENT (AGREEMENT) made on the last date set opposite the Parties' signatures and effective on the last date set opposite the signatures of the Parties among MIKE SHORT and BESSIE DELL SHORT, husband and wife, (SELLER), and JEFFREY D. HOYAL and LORI D. HOYAL, husband and wife, jointly and severally, (BUYER).

I. RECITALS: The Parties recite the following is true:

A. DESCRIPTION OF PROPERTY SUBJECT TO AGREEMENT: The LAND and the PERSONAL PROPERTY (PROPERTY) which are subject to this AGREEMENT, and the transaction it embodies, is situate in Klamath County, Oregon, and are more particularly described as follows:

LAND:

Township 33 South, Range 10 East of the Willamette Meridian
Section 10: SW^{1/4}

Section 15: NW^{1/4}, SE^{1/4} and that portion of the SW^{1/4} lying Northerly and Easterly of the Swan Lake Road.

Section 22: That portion of NW^{1/4} lying Northerly and Easterly of the Swan Lake Road.

EXCEPTIONS TO TITLE:

1. 1998-1999 Klamath County Taxes and Assessments now a lien, but not yet payable which BUYER assumes and agrees to pay.

2. Terms and conditions of special easement at farm use and the right of Klamath County, Oregon, to additional taxes, plus interest in the event said use should be changed which obligation BUYER assumes and agrees to pay and perform;

3. Rights of way of record and apparent thereon.

4. Reservations and restrictions, including the terms and provisions thereof, dated 8/29/44, recorded 1/29/45, Vol. 173, page 16, Records of Klamath County, Oregon; from State of Oregon to Dave Liskey reserving to the State of Oregon all its coal and other minerals in said above described premises, together with the right to prospect for, mine and remove the same and also subject to the right to prospect for ditches, canals and reservoir sites for irrigation purposes constructed, or which may be constructed by authority of the United States or otherwise, which rights of way are hereby expressly reserved.

5. An easement created by instrument, including the terms and provisions thereof, recorded 5/9/53, Vol. 250, page S15, in favor of The California Oregon Power Company for transmission lines; affects Pt of SW^{1/4}SW^{1/4} of 15/38/10.

Klamath County Assessor's parcel number R-3810-00000-(250)-000

WATER RIGHTS:

All water rights of whatever kind and nature including, without limiting the generality of the foregoing: State of Oregon Certificate of Water Right, under permit number U-343 dated July 25, 1968, recorded in State Record of Water Right Certificates in Vol. 27, page 35151, and recorded in Klamath County, Oregon Record of Water Rights on 8/15/68, as Vol. M68, page 7393; and State of Oregon Certificate of Water Rights, under permit number O-4062 dated May 25, 1979, recorded in State Record of Water Right Certificates in Vol. 41, page

PURCHASE AND SALE AGREEMENT

STATE OF OREGON: COUNTY OF KLAMATH : ss.

Filed for record at request of Diversified Financial Services the 19th day of June A.D. 1998 at 2:44 o'clock P. M., and duly recorded in Vol. M98 on Page 19800

FEE \$10.00

Bernetha G. Letsch, County Clerk
By Kathleen Roos