

THIS INDENTURE WITNESSETH That LELAND W. STEPHENS and ANITA LOUISE STEPHENS, husband and wife of the County of Lake, State of Oregon, for and in consideration of the sum of FOUR THOUSAND EIGHT HUNDRED THIRTY-FOUR 22/100 Dollars (\$ 4,834.22), to them in hand paid, the receipt whereof is hereby acknowledged, have granted, bargained, sold and conveyed, and by these presents do grant bargain, sell and convey unto ALVIN SPERLING AND MERCEDES SPERLING, husband and wife

of the County of Klamath, State of Oregon, the following described premises situated in Klamath County, State of Oregon, to-wit:

Lots 1 and 2 in Block 7 of NORTH BLY, Klamath County, Oregon

SUBJECT TO: reservations, restrictions, easements, rights-of-way of record or apparent on the ground.

Together with the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining. To have and to hold the same with the appurtenances, unto the said

heirs and assigns forever.

THIS CONVEYANCE is intended as a Mortgage to secure the payment of the sum of FOUR THOUSAND EIGHT HUNDRED THIRTY-FOUR & 22/100ths ----- Dollars (\$ 4,834.22) in accordance with the terms of one certain promissory note of which the following is a substantial copy:

Lakeview, Oregon July 6, 1977
We, jointly and severally, promise to pay to the order of Alvin Sperling and Mercedes Sperling, husband and wife, at Bly, Oregon, FOUR THOUSAND EIGHT HUNDRED THIRTY-FOUR and 22/100ths DOLLARS, with interest thereon at the rate of 8 percent per annum from date until paid, payable in monthly installments of not less than \$60.00 in any one payment; interest shall be paid monthly and is included in the minimum payments above required; the first payment to be made on the 10th day of July, 1977, and a like payment on the 10th day of each month thereafter until the whole sum principal and interest has been paid; if any of said installments is not so paid, all principal and interest to become immediately due and collectible at the option of the holder of this note. If this note is placed in the hands of an attorney for collection, we promise and agree to pay holder's reasonable attorney's fees and collection costs, even though no suit or action is filed hereon; however, if a suit or an action is filed, the amount of such reasonable attorney's fees shall be fixed by the court, or courts in which the suit or action, including any appeal therein, is tried, heard or decided.

/s/ Leland W. Stephens
/s/ Anita Louise Stephens

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: