

T/A #M-38-21377-4

THIS INDENTURE WITNESSETH: That PETER J. BERNHARDT and ELIZABETH BERNHARDT, husband and wife, of the County of Carson City, State of Nevada, for and in consideration of the sum of Eleven Thousand Five Hundred & No/100ths Dollars (\$ 11,500.00) 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 TOM NONELLA

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

A portion of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 7, Township 37 South, Range 15 East of the Willamette Meridian in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at the brass cap monument marking the West quarter corner of said Section 7; thence South 00°41'19" West 658.21 feet to a 5/8" iron pin and the true point of beginning; thence continuing South 00°41'19" West 658.22 feet to a 5/8" iron pin; thence North 89°37'41" East 1365.08 feet to a 5/8" iron pin; thence North 00°04'44" West 658.36 feet to a point thence South 89°37'04" West 1354.26 feet to the true point of beginning, with bearings based on Survey #2401

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 TOM NONELLA

THIS CONVEYANCE is intended as a Mortgage to secure his heirs and assigns forever. Eleven Thousand Five Hundred and No/100ths (\$11,500.00) Dollars (\$11,500.00) in accordance with the terms of that certain promissory note of which the following is a substantial copy:

\$ 11,500.00 Fallon, Nevada, April 11, 1980
I (or if more than one maker) we, jointly and severally, promise to pay to the order of TOM NONELLA
at Klamath Falls, Oregon
Eleven Thousand Five Hundred and no/100ths (\$11,500.00) DOLLARS, with interest thereon at the rate of 10 percent per annum from date of note (5/10/80) until paid, payable in monthly installments of not less than \$ 150.00 in any one payment; interest shall be paid monthly and 1980, and a like payment on the 10th day of 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, I/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.
* Strike words not applicable.

/s/ PETER J. BERNHARDT

/s/ ELIZABETH BERNHARDT

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),
 (b) - for an organization or (even if mortgagor is a natural person) are for business or commercial purposes other than agricultural purposes.

Now, if the sum of money due upon said instrument shall be paid according to the agreement therein expressed, this conveyance shall be void; but in case default shall be made in payment of the principal or interest or any part thereof as above provided, then the said TOM NONELLA

and his legal representatives, or assigns may foreclose the Mortgage and sell the premises above described with all and every of the appurtenances or any part thereof, in the manner prescribed by law, and out of the money arising from such sale, retain the said principal, interest and attorney's fees as provided in said note, together with the costs and charges of making such sale and the surplus, if there be any, pay over to the said PETER J. BERNHARDT and ELIZABETH BERNHARDT, husband and wife, their heirs or assigns.

Witness OUR hands this 11 day of April, 1980.

*IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and if the mortgagee is a creditor, as such word is defined in the Truth-in-Lending Act and Regulation Z, the mortgagee MUST comply with the Act and Regulation by making required disclosures; for this purpose, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Ness Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, use Stevens-Ness Form No. 1306, or equivalent.

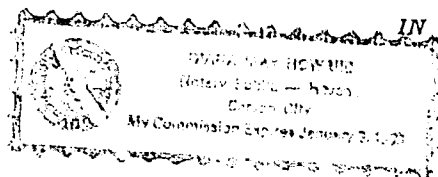
Peter J. Bernhardt
Elizabeth Bernhardt

Nevada
 STATE OF OREGON

County of *Clatsop City* ss.

BE IT REMEMBERED, that on this 11 day of April, 1980, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named PETER J. BERNHARDT and ELIZABETH BERNHARDT, husband and wife,

known to me to be the identical individual(s) described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Wm. D. Milne
 Notary Public for Oregon
 My Commission expires 1-5-83

MORTGAGE

(FORM No. 7)

STEVENS NESS LAW PUB. CO., PORTLAND, ORE.

PETER J. BERNHARDT
 ELIZABETH BERNHARDT

TO

TOM NONELLA

AFTER RECORDING RETURN TO

T/A

Attn: So. 6th St.

SPACE RESERVED
 FOR
 RECORDER'S USE

STATE OF OREGON

County of Klamath ss.

I certify that the within instrument was received for record on the 12th day of May, 1980, at 3:46 o'clock P.M., and recorded in book M80 on page 8701 or as file/reel number 84224, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Wm. D. Milne Title
 By *Elizabeth Bernhardt* Deputy.

Fee \$7.00