

In return for a loan that I have received, I promise to pay \$20,000.00 (called principal) plus interest to the lender; Patricia Ellison or her heirs, HC 63 Box 597N Chilquin, Or. 97624.

I understand that the lender may transfer this Note. The lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the Note Holder.

Interest will be charged on the unpaid principal beginning on the date received until the full amount of principal is paid. I will owe interest at a yearly rate of 10%, this is a fixed rate.

Payments of principal and interest are due the 5th day of each month, beginning on Oct. 5, 1987. Maturity date is Oct. 1997, if any monies are still owing on this Note they are due and payable on the Maturity Date.

I may make a full prepayment or a partial prepayment without penalty. If I do not pay the full amount of each monthly payment on its due date, I will be in Default. If I am in Default the Note Holder may send me a written notice telling me that if I do not pay by a certain date, the Note Holder may require me to pay the full amount of this Note and all interest owing on that amount. That date must be at least 30 days after notice was delivered or mailed to me. There is no Waiver of Default by the Note Holder at any time.

If the Note Holder has required me to pay immediately in full for Default, the Note Holder will have the right to be paid back for all of its expenses in enforcing the Note.

This Note is secured by Real Property whose legal description is All that portion of the NW $\frac{1}{4}$ of Section 3, Township 36 S, Range 10 E of the Willamette Meridian, lying NE of the Sprague River Hwy, in Klamath County, State of Oregon. EXCEPTING THEREFROM the Westerly 1650 Ft.

ck 9/27

To protect Note Holders interest in the Real Property,
 Liability Insurance is to be maintained and Taxes are to be kept current.

In the event I sell or transfer my interest in the Real Property
 I understand this Note will become due and payable at that time.

Signed:

Paul Nutter

Date

9-24-87

Signed:

Catherine Nutter

Date

9-24-87

Ref: Patricia Ellison
 HC 63, Box 597 N.
 Chiloquin, Ore
 97624

STATE OF OREGON,

Klamath

County of

ss.

FORM NO. 23 — ACKNOWLEDGMENT
 STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

BE IT REMEMBERED, That on this 24 day of September, 1987,
 before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within
 named Paul Nutter and Catherine Nutter

known to me to be the identical individual 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.

[Signature]
 Notary Public for Oregon.

My Commission expires April 1, 1990

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the 24th day
 of September A.D., 19 87 at 2:37 o'clock P.M., and duly recorded in Vol. M87
 of Mortgages on Page 17393

FEE \$9.00

Evelyn Biehn,
 By *[Signature]* County Clerk