

MORTGAGE

KURT L. HAGERMAN and GEORGETTE G. HAGERMAN do hereby grant, bargain, sell, and convey unto CYRIL KRUGER and JANE KRUGER, their successors and assigns, the following described property located in Klamath County, Oregon:

A tract of land in the N $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Section 8, Township 24 South, Range 9, E.W.M., Klamath County, Oregon:

Beginning at the Northeast corner of said Section 8; thence North 89°37'24" West along the North line of said Section 8, 655.42 feet to the East line of the W $\frac{1}{2}$ of the NE $\frac{1}{4}$ of said Section 8 and the true point of beginning; thence South 0°07'44" East along said East line, 435.35 feet; thence North 89°39'38" West, 984.06 feet; thence North 0°00'14" West, 435.98 feet to the North line of said Section 8, thence South 89°37'24" East, along said North line, 983.12 feet to the true point of beginning.

Together with the tenements, hereditaments, and appurtenances thereto belonging, or in anywise appertaining.

THIS CONVEYANCE is intended as a Mortgage to secure the payment of the sum of Twenty Thousand and no/100ths Dollars (\$20,000.00) in accordance with the terms of that certain Promissory Note of which the following is a substantial copy:

\$ 20,000.00	-----60 days-----	April	24	1989
severally promise to pay to the order of Cyril/Jane Kruger				
at 850 N.W. Conifer Corvallis, Or. 97330				
TWENTY THOUSAND & NO/100-----DOLLARS.				
with interest thereon at the rate of 20 % per annum from APRIL 24, 1989 until paid; interest to be paid at maturity and if not so paid, all principal and interest, at the option of the holder of this note, to become immediately due and collectible. Any part hereof may be paid at any time. 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; 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.				
*SECURED BY APPROX. 10 ACRES SOUTH OF SUN RIVER, OREGON. SEE ATTACHED DEED GIVING DESCRIPTION.				
TELCO NORTHWEST, INC. BY: <i>Kurt L. Hagerman</i> President				
PERSONALLY: <i>Kurt L. Hagerman</i>				

FOUNT P. 216—PROMISSORY NOTE.

78 STEVENS-HESS LAW PUB. CO., PORTLAND, ORE.

The date of maturity of the debt secured by this mortgage is June 23, 1989. This Mortgage is subject to all encumbrances of record and no representations are made by Mortgagors with respect thereto.

The mortgagors warrant that the proceeds of the loan represented by the above-described Promissory Note and this Mortgage are for business or commercial purposes other than agricultural purposes.

if said sum shall be paid according to the terms of the Promissory Note, this conveyance shall be void; but in the case of default, then Cyril Kruger and Jane Kruger, their successors and 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 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 any, shall be paid to the mortgagors, their successors and assigns.

DATED this 1st day of August, 1989.

Kurt L. Hagerman
Kurt L. Hagerman

Georgette G. Hagerman
Georgette G. Hagerman

STATE OF OREGON)
) ss.
County of Benton)

This instrument was acknowledged before me this 1 day of August, 1989, by Kurt L. Hagerman and Georgette G. Hagerman.

Paula M. Arndt
Notary Public for Oregon
My commission expires: 1-11-91

After Recording, return to:

Mark A. Gordon, Esq.
BURT & GORDON, P.C.
Attorneys at Law
3600 U.S. Bancorp Tower
111 S.W. Fifth Avenue
Portland, Oregon 97204-3639

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STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the 25th day
of August A.D. 19 89 at 11:31 o'clock A M., and duly recorded in Vol. M89
of Mortgages on Page 15926.

FEE \$13.00

Evelyn Biehn County Clerk

By Paula M. Arndt