

THIS MORTGAGE is made this 25th day of October, 1989, and between Bernell Kerns, Mortgagor, to CP National Corporation, a California corporation, ("CP National"), Mortgagee. Mortgagor has entered into a contract with, and is obligated to, CP National for the sum of THIRTEEN THOUSAND SIXTY ONE Dollars (\$13619) and does hereby grant, bargain, sell and convey unto said CP National that certain property situated in Klamath County, Oregon, described as follows:

Street Address: 6040 Climax

Legal Description:

SEE EXHIBIT "A"

together with the tenements, hereditaments and appurtenances appertaining thereto.

This conveyance is intended as a mortgage to secure the payment of the contract between CP National and Mortgagor dated OCTOBER 25, 1989. The date of maturity of the debt secured by this mortgage is the date upon which the last retail installment contract payment is due, to-wit, November, 1994. This mortgage is subject to any and all prior liens and encumbrances of record against the above property. The Mortgagor agrees to pay and keep current all real property taxes and any amounts due on any prior encumbrances before the same become delinquent.

When the Mortgagor pays all sums, including principal and interest, owing to CP National under the terms of the aforementioned contract, this conveyance shall become void; but in the event Mortgagor defaults in any of the terms of said contract or this mortgage, then all amounts due CP National shall become immediately due and payable and CP National may foreclose this mortgage and sell the property above described in the manner provided by law and out of the money arising from the sale, retain all amounts due under the contract and actual reasonable costs of collection, including, without limitation, costs and expenses of the foreclosure proceeding, including reasonable attorneys fees and the surplus, if any, shall be paid over to Mortgagor or Mortgagors' heirs or assigns.

MORTGAGOR ACKNOWLEDGES RECEIPT OF A COPY OF THIS MORTGAGE.

Bernell L. Kerns

STATE OF OREGON

COUNTY OF KLAMATH

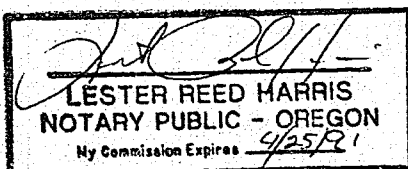
ss.

On this 25th day of OCTOBER, 1989, before me, the undersigned notary public, personally appeared MELANIE L. CENTOFANTE, personally known to me, who was the subscribing witness to the foregoing Mortgage, who being sworn, stated that he/she resides at 2173 MADISON ST. KLAMATH FALLS, Oregon, and that he/she was present and saw

BERNELL KERNS personally known to said subscribing witness to be the person(s) whose name(s) were subscribed to the within Mortgage, execute and acknowledge the same, and said subscribing witness acknowledged said mortgage to be the voluntary act and deed of the person(s) signing said Mortgage.

Melanie L. Centofante
Subscribing Witness

NOTARY PUBLIC FOR OREGON
My commission expires: _____



Return to: CP National PO Box 310, Klamath Falls, OR 97601

'90 JAN 23 AM 11 59

Order No.: 18994-K

EXHIBIT "A"
LEGAL DESCRIPTION

A parcel of land in the SW1/4 NW1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point where the Southerly right of way line of Climax Avenue intersects the Easterly right of way line of Ogden Street, thence East along said Southerly right of way line of Climax Avenue a distance of 129.43 feet to the true point of beginning; thence continuing East along said Southerly right of way line of Climax Street 138.15 feet to an iron pin; thence South 0 degrees 36' East 72.35 feet to an iron pin; thence South 89 degrees 10' West 138.33 feet to an iron pin, thence North 0 degrees 28' West 72.91 feet to the point of beginning, said parcel being Parcel B of Minor Land Partition No. 80-105.

Bearings based on Minor Land Partition No. 80-105.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of CP National the 23rd day
of Jan A.D., 19 90 at 11:59 o'clock AM., and duly recorded in Vol. M90
of Mortgages on Page 1533.

FEE \$13.00

Evelyn Biehn County Clerk

By Pauline Neelander