

K-44952
MORTGAGE

THIS INDENTURE, Made on the date hereinbelow set forth between DANIEL J. CAVANAUGH and ANN L. HILTON-CAVANAUGH, husband and wife, mortgagors, and PHYLLIS S. CAVANAUGH, mortgagee;

WITNESSETH, That the said mortgagors for and in consideration of the sum of Fifty-Five Thousand and No/100ths (\$55,000.00) Dollars, to mortgagors paid, do hereby grant, bargain, sell and convey unto mortgagee the following described premises situated in Klamath County, State of Oregon, to-wit:

South 62 feet of Lot 1, Block 36 Original Town of Linkville now City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Together with the tenements, hereditaments and appertenances thereto belonging, or in anywise appertaining and to have and to hold the same with the appurtenances, unto the said mortgagee, mortgagee's heirs and assigns forever.

This mortgage is intended to secure the payment of a promissory note, a copy of which is attached hereto, marked Exhibit "A" and by this reference incorporated herein.

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: February 15, 2000.

The mortgagor warrants that the proceeds of the loan represented by the above-described note and this mortgage are for business or commercial purposes.

Now, if the sum of money due upon said instrument shall


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Return: Blair Henderson
426 Main Street
Klamath Falls, Or 97601

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 same mortgagee or assigns may foreclose the mortgage and sell the premises above described with each 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 mortgagors, mortgagors' heirs or assigns.

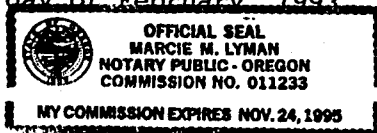
DATED this 24th day of February, 1993.



DANIEL J. CAVANAUGH


ANN L. HILTON-CAVANAUGH
(Mortgagors)

STATE OF OREGON)
) ss.
County of Klamath)

This instrument was acknowledged before me on this 24th
day of February, 1993.




NOTARY PUBLIC FOR OREGON
My Commission Expires: 11-24-95

AFTER RECORDING, RETURN TO:
BLAIR M. HENDERSON
ATTORNEY AT LAW
426 MAIN STREET
KLAMATH FALLS, OR 97601

COPY

PROMISSORY NOTE

We, jointly and severally, promise to pay to the order of
 PHYLLIS S. CAVANAUGH, at 420 Jefferson Street, Klamath Falls,
 Oregon, 97601, the sum of Fifty-Five Thousand and No/100ths
 (\$55,000.00) Dollars, with interest at the rate of six (6) percent
 per annum from the ^{1st} ~~15th~~ ^{January 1st} day of ~~February~~ ¹⁹⁹³, until paid, payable
 in monthly installments of not less than \$805.32 in any one
 payment; prepayment without penalty; interest shall be paid monthly
 and is included in the minimum payments above required; the first
 payment to be made on the 15th day of February, 1993, and a like
 payment on the 15th day of each month thereafter, until the whole
 sum, principal and interest has been paid, to-wit: February 15,
 2000. 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.

DATED this 24th day of February, 1993.

STATE OF OREGON, ss.
 County of Klamath

Filed for record at request of:

Klamath County Title Co
 on this 24th day of Feb. A.D. 19 93
 at 2:13 o'clock P. M. and duly recorded
 in Vol. M93 of Mortgages Page 3847.
 Evelyn Biehn County Clerk
 By Rouline Muller Deputy.

Fee, \$20.00

Daniel J. Cavanaugh
 DANIEL J. CAVANAUGH

Ann L. Hilton-Cavanaugh
 ANN L. HILTON-CAVANAUGH