

MORTGAGE
378-16224

I, (we), the undersigned Wayne D & Sandra L Stouffer
(hereafter "Mortgagor" whether one or more) do hereby mortgage and warrant to The Pacesetter Corporation, a Nebraska corporation, a/k/a Pacesetter Products, Inc., (hereafter "Mortgagee"), its successors and assigns, that property legally described as:

Please see Exhibit A, Attached here to made part thereof.

State of Oregon, County of Klamath
Recorded 03/04/2002 10:22 a m.
Vol M02, Pg 12750-52
Linda Smith, County Clerk
Fee \$ 31.00 # of Pgs 3

Please return to:

Rt: Pacesetter Corporation
10461 Old Placerville RD #170
Sacramento, CA 95827

(hereafter the "premises") to secure payment of a certain Retail Installment Sales Contract Number 34871, dated January 26th, 2002, having an Amount Financed of \$ 5970.00 together with Finance Charges provided therein (hereafter the "indebtedness").

The Mortgagor covenants with the Mortgagee, while this Mortgage remains in force, as follows:

1. To pay the indebtedness represented by the above-described Retail Installment Sales Contract together with all finance charges provided therein in the time and manner therein described.
2. To pay all taxes, assessments, water rates and other charges that may be levied or assessed upon or against the premises within 30 days after the same shall become due and payable.
3. To keep all the improvements erected on the premises continually intact and in good order and repair and to permit or suffer no waste of said premises.
4. If default shall be made in the payment of the indebtedness, or any part thereof, or in the performance of any of the covenants and agreements contained in the said Retail Installment Sales Contract and/or herein contained, the entire indebtedness secured hereby remaining unpaid shall at once become due and collectible if the Mortgagee so elects, without notice of such election.
5. In the event the ownership of the premises or any part thereof becomes vested in a person other than the Mortgagor, Mortgagee may deal with such successor or successors in interest with reference to this Mortgage and the indebtedness hereby secured in the same manner as with the Mortgagor, without in any manner vitiating or discharging the Mortgagor's liability hereunder, or upon the indebtedness hereby secured.

Mortgagor hereby waives any and all rights Mortgagor may have pursuant to Oregon Revised Statutes §88.040 commonly referred to as the "One Action Rule." Mortgagee may take action against Mortgagor and with respect to any security given by Mortgagor to Mortgagee under this Mortgage, the Retail Installment Sales Contract or otherwise in any order or simultaneously as Mortgagor may deem prudent.

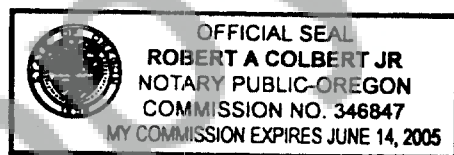
Dated this 26th day of January, 2002.

THE PACESETTER CORPORATION
a, Nebraska corporation

By: Nicole Lamont

[Signature] 1-26-02
MORTGAGOR DATE
[Signature] 1-26-02
MORTGAGOR DATE

State of Oregon }
County of Klamath } ss.



The foregoing instrument was acknowledged before me on this 26th day of January, 2002, by Wayne & Sandra Stouffer the above designated Mortgagor(s).

Notary Public [Signature]
Printed Name ROBERT A. COLBERT JR. State OREGON
My commission expires: JUNE 14, 2005

ACKNOWLEDGEMENT OF NOTARY PRESENCE

I (We) hereby confirm that the Notary Public whose name appears within did personally appear, sign and seal this document in my (our) presence.

Initials: [Signature] Buyer SS Co-Buyer

Please return the recorded instrument to:

11238

HTC NO. 25460-BH

EXHIBIT "A"
LEGAL DESCRIPTION

12752

Lot 1, Block 1, TRACT NO. 1131, THE WADES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

EXCEPTING THEREFROM a parcel of land for road right-of-way situated in Lot 1, Block 1 of Tract 1131, The Wades, a recorded subdivision in Klamath County, Oregon; being more particularly described as follows:

Beginning at the Northwest corner of Lot 1, Block 1, Tract 1131; thence South 15 degrees 05' 55" East along the Easterly right-of-way of the Ely-Bonanza County Road, 140.00 feet; thence North 74 degrees 53' 05" East 125.00 feet to the Southwesterly right-of-way of the Keno Springs Road; thence North 56 degrees 52' 28" West along the Southwesterly right-of-way line, 127.68 feet to the point of beginning.

TOGETHER WITH: 1980 Kenwood Mobile Home, 4X169542, which is firmly affixed to the above mentioned real property.

SUBJECT TO: Trust Deed (including terms and provisions) dated August 30, 1989 and recorded August 30, 1989 in Volume M89, page 16321 and the amendment of Trust Deed dated April 20, 1990 and recorded May 11, 1990 in Volume M90, page 9028, Microfilm Records of Klamath County, Oregon wherein the beneficiary was Frances J. Barker and John M. Barker. Beneficiaries interest was assigned by instrument dated April 20, 1990, recorded May 11, 1990 volume M90, page 9029 to AAA Mortgage Company. Beneficiaries interest was assigned by instrument dated April 20, 1990 and recorded May 11, 1990 in volume M90, page 9030, Microfilm Records of Klamath County, Oregon to Western United Life Assurance Company, a corporation. The above Grantee does not agree to assume and to pay in full this obligation.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 14th day
of June A.D. 19 91 at 1:19 o'clock P.M. and duly recorded in Vol. M91
of Deeds on Page 11297
FEE \$33.00
Evelyn Biehn - County Clerk
By Pauline M. Mendenhall

Exhibit A