

FEDERAL FARM LOAN AMORTIZATION MORTGAGE

KNOW ALL MEN BY THESE PRESENTS, That on this 9th day of August, 1966,

Wayne W. Cunningham and Ida Lea Cunningham, husband and wife,

hereinafter called the Mortgagors, hereby grant, bargain, sell, convey and mortgage to THE FEDERAL LAND

BANK OF SPOKANE, a corporation organized and existing under the Federal Farm Loan Act as amended, with

its principal place of business in the City of Spokane, County of Spokane, State of Washington, hereinafter called

the Mortgagee, the following described real estate situate in the County of Klamath

State of Oregon, to wit:

PARCEL 1: A parcel of land situate in Sections 8 and 17 of Twp. 39 South, Range 10, E.W.M., more particularly described as follows:
Beginning at the Section corner common to Sections 8, 9, 16 and 17, and running thence South 89°57' West, along the Section line between Sections 8 and 17, 1979.70 feet to the Southwest corner of the E 1/2 SW 1/4 of said Section 8; thence North 0°33' East to the Southerly right-of-way line of the Klamath Falls-Lakeview Highway; thence Southeasterly, along said highway right-of-way line, to the East line of said Section 8; thence South, along said Section line, to the point of beginning.

ALSO the NE 1/4 of the NE 1/4 of Section 17, Twp. 39 South, Range 10, E.W.M. EXCEPTING from the above a strip 10 feet in width parallel with and adjacent to the Southerly right-of-way line of said highway.

PARCEL 2: The West half of the Northwest quarter of Section 16 Township 39 South of Range 10 East of the Willamette Meridian, saving and excepting therefrom that portion of the Southwest quarter of the Northwest quarter lying Southerly of the O. C. & E. Railroad, and also saving and excepting therefrom that portion of the NW 1/4 NW 1/4 lying Northerly of the Klamath Falls-Lakeview Highway.

The SE 1/4 NW 1/4 and all that portion of the NE 1/4 NW 1/4 lying Southerly of the Klamath Falls-Lakeview Highway, and all that portion of the NE 1/4 SW 1/4 lying Northerly of the O. C. & E. Railroad, all in Section 16 Township 39 South of Range 10 East of the Willamette Meridian.

Also beginning at the Northeast corner of the NW 1/4 SW 1/4 of Section 16 thence Southerly to the Northerly line of the right-of-way of the Oregon, California & Eastern Railway (sometimes referred to as Klamath Falls Municipal Railway); thence Northwesterly along said right-of-way to the intersection with the South line of the SW 1/4 NW 1/4 of said Section 16; thence Easterly along the North line of the said NW 1/4 SW 1/4 to the place of beginning, containing 2.14 acres, more or less, and being that portion of the said NW 1/4 SW 1/4 lying Northerly of said Railway right of way.

Also a piece or parcel of land in the SW 1/4 SW 1/4 of Section 9 Township 39 S.R. 10 E.W.M., containing 0.95 acre, more or less, more fully described as follows: Beginning at the section corner common to Sections 8, 9, 16 and 17 of the said Township and Range; and running thence North 0°40' East along the section line between the said Sections 8 and 9, 240 feet, more or less, to the Southwesterly boundary of the right of way of the present Klamath Falls-Lakeview Highway; thence Southeasterly along the said boundary 425 feet, more or less, to its intersection with the section line between the said Sections 9 and 16; thence North 89°33' West, along the last mentioned section line 357 feet, more or less, to the said point of beginning.

Saving and excepting therefrom that portion conveyed for railroad purposes.

This rider is attached to and made a part of this mortgage, dated August 9, 1966, executed by the undersigned.

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Wayne W. Cunningham
Ida Lea Cunningham

[illegible][illegible]

10-10-1944

...hereditaments, rights, privileges and appurtenances, including private roads, now

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This conveyance is intended as a mortgage securing the performance of the covenants and agreements hereinafter contained, and the payment of the debt represented by one promissory note made by the mortgagors to the order of the mortgagee, of even date herewith, for the principal sum of _____

Sixty-one Thousand Five Hundred _____ Dollars (\$ 61,500.00),

with interest thereon from date at the rate of 6 % per annum on the principal sum from time to time remaining unpaid, payable to the mortgagee at its office in the City of Spokane, State of Washington, as follows:

Interest only payable on January 1, 1967, and _____ annually thereafter to and including _____, 19____. Thereafter 34 equal _____ annual payments

of \$ 4241.91 each, payable on the first day of January ~~XXXX~~ in each year, beginning on the first day of January, 1968, and a final payment of \$ 4241.91, payable on

the first day of January, 2002, unless matured sooner by extra payments on principal; each of said payments shall be applied first to interest, then to principal. All payments not made when due shall bear interest thereafter until paid at six per cent per annum.

Mortgagors covenant and agree:

That they are lawfully seized of said premises in fee simple, have good right and lawful authority to convey and mortgage the same, and that said premises are free from encumbrance; and each of the mortgagors will warrant and defend the same forever against the lawful claims and demands of all persons whomsoever, and this covenant shall not be extinguished by any foreclosure hereof, but shall run with the land;

To pay all debts and moneys secured hereby when due;

To keep the buildings and other improvements now or hereafter existing on said premises in good repair and not to remove or demolish or permit the removal or demolition of any thereof; not to cut or permit the cutting of timber from said premises except for domestic use; to maintain and cultivate the premises in a good and husbandlike manner, using approved methods of preserving the fertility thereof; to keep the orchards on said land properly irrigated, cultivated, sprayed, pruned and cared for; not to commit or suffer waste of any kind upon said premises; not to use or permit the use of said premises for any unlawful or objectionable purpose; and to do all acts and things necessary to preserve all water rights now or hereafter appurtenant to or used in connection with said premises;

To pay when due all taxes and assessments upon said premises and to deliver to the mortgagee proper receipts therefor; and to suffer no other lien or encumbrance prior to the lien of this mortgage to exist at any time against said premises;

To keep all buildings insured against loss or damage by fire in manner and form and in such company or companies and in such amount as shall be satisfactory to the mortgagee; to pay all premiums and charges on all such insurance when due; to deposit with the mortgagee all insurance policies affecting the mortgaged premises, with receipts showing payment of all premiums and charges affecting said policies; and that all insurance whatsoever affecting the mortgaged premises shall be made payable, in case of loss, to the mortgagee, with a mortgagee clause in favor of and satisfactory to the mortgagee. The mortgagee shall be entitled to receive the proceeds of any loss under any such policy, which, if not used in accordance with the regulations of the Farm Credit Administration for reconstruction of the buildings damaged or destroyed, may be applied by the mortgagee upon the indebtedness hereby secured in such manner as it shall elect.

If any of the mortgaged property shall be taken under right of eminent domain, the mortgagee shall be entitled at its option to receive all compensation for the portion taken and damages to the remaining portion, to be applied by the mortgagee upon the indebtedness hereby secured in such manner as it shall elect.

Should the mortgagors be or become in default in any of the covenants or agreements herein contained, then the mortgagee (whether electing to declare the whole indebtedness hereby secured due and payable or not) may, at its option, perform the same in whole or in part, and all expenditures made by the mortgagee in so doing shall draw interest at the rate of 6 per cent per annum, and shall be immediately repayable by the mortgagors without demand, and, together with interest and costs accruing thereon, shall be secured by this mortgage.

Time is material and of the essence hereof; and in case of breach of any of the covenants or agreements hereof, or if default be made in the payment of any of the sums hereby secured, or if the whole or any portion of said loan shall be expended for purposes other than those specified in the original application therefor except, by the written permission of said mortgagee, or if said land or any portion thereof shall be hereafter included in any special assessment district, then, in any such case, all indebtedness hereby secured, shall, at the election of the mortgagee, become immediately due without notice, and this mortgage may be foreclosed; but the failure of the mortgagee to exercise such option in any one or more instances shall not be considered as a waiver or relinquishment of the right to exercise such option upon or during the continuance of the same or any other default.

In case of any suit to foreclose this mortgage or to collect any charge growing out of the debt hereby secured, or any suit which the mortgagee may deem it necessary to prosecute or defend to effect or protect the lien hereof, the mortgagors agree to pay a reasonable sum as attorney's fees and all costs and legal expenses in connection with said suit, and further agree to pay the reasonable costs of searching records and abstracting or insuring the title, and such sums shall be secured hereby and included in the decree of foreclosure.

Upon or during the continuance of any default hereunder, the mortgagee shall have the right forthwith to enter into and upon the mortgaged premises and take possession thereof, and collect the rents, issues and profits thereof; and

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apply the same, less reasonable costs of collection, upon the indebtedness hereby secured, and the mortgagee shall have the right to the appointment of a receiver to collect the rents, issues and profits of the mortgaged premises. The rents, issues and profits of said premises after default are hereby assigned and mortgaged to the mortgagee as additional security for the indebtedness herein described.

This mortgage and the note secured hereby are executed and delivered under and in accordance with the said Federal Farm Loan Act and acts amendatory thereof or supplementary thereto, and are subject to all the terms, conditions and provisions thereof, which acts are made a part hereof the same as if set out in full herein.

The covenants and agreements herein contained shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, The mortgagors have hereunto set their hands the day and year first above written.

Wayne W. Cunningham
Ida Lea Cunningham

STATE OF OREGON

County of Klamath

ss.

On this 19 th day of August, 1966, personally appeared the above named

Wayne W. Cunningham and Ida Lea Cunningham

and acknowledged the foregoing instrument to be their voluntary act and deed.

STATE OF OREGON, ss.
County of Klamath

Before me,

Klamath County Title Co.

on this 22nd day of August, A.D. 1966

at 3:02 P.M. and duly

recorded in Vol. M-56 of Mortgages

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GENOTRY ROGERS, County Clerk

By Solow Lave Deputy

Fee \$6.00

Bryan D. Rogers
Notary Public in and for the State of Oregon,

residing at Klamath Falls, Oregon

My commission expires 8/13/1970