

13075 VOL 710 PAGE 6163  
**FEDERAL LAND BANK MORTGAGE**

KNOW ALL MEN BY THESE PRESENTS, That on this 10th day  
 of July, 1970,

J. K. O'Neill and Peggy Ann O'Neill, husband  
and wife,

hereinafter called the Mortgagors, hereby grant, bargain, sell, convey and mortgage  
 to THE FEDERAL LAND BANK OF SPOKANE, a corporation in Spokane, Wash-  
 ington, hereinafter called the Mortgagee, the following described real estate in the  
 County of Klamath, State of Oregon

The description of the real property covered by this mortgage consists of one page marked  
 Exhibit "A" which is attached hereto and is by reference made a part hereof.

FLB  
 LOAN 141153

Recorded \_\_\_\_\_  
 at \_\_\_\_\_ o'clock \_\_\_\_\_  
 \_\_\_\_\_ Page \_\_\_\_\_  
 Auditor, Clerk or Recorder

Page 1 of 1.

**EXHIBIT "A"**

**PARCEL 1:** Lot 7 of Section 14 Township 39 S.R. 10 E.W.M., saving and  
 excepting therefrom that portion described as follows: Beginning at a point  
 on the North boundary of Lot 7 from which the one-quarter section corner  
 common to Sections 14 and 15 Township and Range aforesaid, bears North  
 34°44' West 1607.5 feet and running thence South 513.5 feet; thence West  
 341.7 feet; thence North 33°43' West 54.6 feet; thence North 34°37' East 208.4  
 feet; thence North 30°21' East 347.5 feet; thence East 80.4 feet to the point  
 of beginning.

Lot 2 of Section 15 Township 39 S.R. 10 E.W.M.

SAVING AND EXCEPTING FROM said Lot 7 Section 14 and Lot 2 Section 15  
 that portion conveyed to Peter Boor by Deed Vol. 40, page 211, more particu-  
 larly described as follows: Beginning at a point on the bank of Lost  
 River, said point being 1054 feet West of the Northeast corner of Section 22  
 Township 39 S.R. 10 E.W.M., thence East 316 feet to the point of way of  
 the U.S.R.S. ditch; thence following said right of way North 54°37' East  
 200 feet; thence North 64°12' East 452 feet; thence North 45°34' East 400  
 feet; thence North 57° East 275 feet; thence North 48° West 138 feet to  
 Lost River; thence following Lost River down Stream to the point of beginning.

SE 1/4 NE 1/4, E 1/2 SE 1/4 Section 22; W 1/2 NW 1/4, NW 1/4 SW 1/4  
 Section 23; SW 1/4 Section 25; S 1/2 Section 26; all of Section 27;  
 SE 1/4 NE 1/4, NE 1/4 SE 1/4, SE 1/4 SE 1/4 of Section 28; NE 1/4 NE 1/4  
 Section 28 all in Township 39 S.R. 10 E.W.M. SAVING AND EXCEPTING THEREFROM  
 a strip of land 30 feet wide along the North side of the NE 1/4 NE 1/4  
 Section 28 and the NW 1/4 Section 27 containing 2.7 acres, more or less,  
 conveyed to Klamath County by Deed Vol. 157, page 322.

NE 1/4 NE 1/4 Section 33; E 1/2 NW 1/4 Section 34; all of Sections 35  
 and 36 of Township 39 S.R. 10 E.W.M.

NW 1/4 SW 1/4; S 1/2 S 1/2, NE 1/4 SE 1/4 Section 1; Lots 1 and 4,  
 SW 1/4 NW 1/4, E 1/2 S 1/2, S 1/2 SE 1/4 Section 2; NE 1/4 NE 1/4  
 Section 11; E 1/2 Section 12 Township 40 S.R. 10 E.W.M.

**PARCEL 2:** SE 1/4 NE 1/4, SE 1/4 SW 1/4, E 1/2 SE 1/4 Section 11;  
 SW 1/4 NW 1/4, SW 1/4 SW 1/4 Section 13; NE 1/4, NE 1/4 NW 1/4 Section 14;  
 NE 1/4 NE 1/4 Section 23; W 1/2 NW 1/4, SW 1/4 SE 1/4, S 1/2 SW 1/4  
 excepting the West 20 rods of said S 1/2 SW 1/4 Section 24; NW 1/4, W 1/2  
 NE 1/4, NW 1/4 SE 1/4, E 1/2 SW 1/4 Section 25; E 1/2 NE 1/4, SW 1/4 NE 1/4,  
 NE 1/4 SE 1/4 Section 26 all in Township 40 S.R. 10 E.W.M.

Initials: JKO PAO

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including all leases, permits, licenses or privileges, written or otherwise, appurtenant or nonappurtenant to said mortgaged premises, now held by mortgagors or hereafter issued, extended or renewed to them by the United States or the State or any department, bureau, or agency thereof, which have been or will be assigned or waived to mortgagee.

Together with the tenements, hereditaments, rights, privileges and appurtenances, including private roads, now or hereafter belonging to or used in connection with the above described premises; and all plumbing, lighting, heating, cooling, ventilating, elevating, watering and irrigating apparatus, stationary scales and other fixtures, now or hereafter belonging to or used in connection with the above described premises, all of which are hereby declared to be appurtenant to said land; and together with all waters and water rights of every kind and description and however evidenced, and all ditches or other conduits, rights therein and rights of way therefor, which now are or hereafter may be appurtenant to said premises or any part thereof, or used in connection therewith.

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 \$ 145,000.00, with interest as provided for in said note, being payable in instalments, the last of which being due and payable on the first day of July, 1990. All payments not made when due shall bear interest thereafter until paid at 10 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, assessments and other charges 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 and such other risks 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 upon request 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 10 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 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 Farm Loan Act and acts amendatory thereof or supplementary thereto, and are subject to all the terms 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, successors and assigns of the respective parties hereto.

WHEREAS, mortgagors have assigned or waived, or will assign or waive certain grazing leases, permits, licenses and/or privileges, to-wit:

Taylor Grazing Privileges for 446 AUMs

mortgagors covenant and agree that they are the lawful owners and holders thereof and that they are free from encumbrance and have not been assigned or mortgaged and agree to procure renewals thereof or prior to their expiration date, to execute any instrument deemed necessary to effect an assignment or waiver of such renewals of the mortgagee, and to pay all fees and charges, and to perform all things necessary to preserve and keep in good standing all of said permits, licenses, and/or privileges, and all renewals thereof; and take no action which would adversely affect any of such rights or the preference status thereunder and that in the event of foreclosure of this mortgage they will waive all claims for preference in any of such right of demand from the purchaser of the mortgaged property at foreclosure to any successor to such purchaser; and further agree that the lands covered by said leases, permits, licenses and/or privileges and renewals thereof at all times be operated in conjunction with the lands hereby mortgaged that neither shall be transferred to any other person separately from the other. Any leases, permits, licenses and/or privileges which the mortgagors with the consent of the mortgagee, shall substitute for those herein mentioned, shall be subject to the provision hereof. For any breach of any covenant or agreement in this paragraph contained, the mortgagee shall have the same rights and/or remedies as are available to the mortgagee in the event of the breach of any other covenant or agreement of the mortgagors in the mortgage contained, including but not limited to the right to declare the entire mortgage debt due and payable.

This rider is attached to and made a part of mortgage to The Federal Bank of Spokane, a corporation, executed by the undersigned, dated July 10, 1970.

*J. K. O'Neill*  
*Raymond A. He*

Grazing Rider No. 1

Form FLB 559

STATE OF OREGON, COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co.

this 24th day of July, A. D., 1970, at 1:21 o'clock P. M., and duly recorded Vol. M-70 of Mortgages on Page 6163.

Fee \$6.00

WM. D. MILNE, County Clerk

*Wm. D. Milne*



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enant or nonappurtenant to said mortgaged  
 then by the United States or the State or any  
 waived to mortgagee.

ances, including private roads, now or here-  
 all plumbing, lighting, heating, cooling, venti-  
 fixtures, now or hereafter belonging to or used  
 to be appurtenant to said land; and together  
 fenced, and all ditches or other conduits, rights  
 tant to said premises or any part thereof, or

the covenants and agreements hereinafter con-  
 the mortgagors to the order of the mortgagee,  
 , with interest as provided for in said note,  
 day of July, 1990  
 per cent per annum.

right and lawful authority to convey and  
 each of the mortgagors will warrant and  
 rsons whomsoever, and this covenant shall

g on said premises in good repair and not to  
 to cut or permit the cutting of timber from  
 in a good and husbandlike manner, using  
 on said land properly irrigated, cultivated,  
 upon said premises; not to use or permit the  
 acts and things necessary to preserve all water

ises and to deliver to the mortgagee proper  
 of this mortgage to exist at any time against

r risks in manner and form and in such com-  
 to pay all premiums and charges on all such  
 ee policies affecting the mortgaged premises,  
 cies; and that all insurance whatsoever affect-  
 gagee, with a mortgagee clause in favor of and  
 proceeds of any loss under any such policy,  
 inistration for reconstruction of the buildings  
 hereby secured in such manner as it shall elect.

domain, the mortgagee shall be entitled at  
 the remaining portion, to be applied by the  
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nts or agreements herein contained, then the  
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ny of the covenants or agreements hereof, or  
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 therefor except, by the written permission of  
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 to exercise such option in any one or more  
 to exercise such option upon or during the

rowing out of the debt hereby secured, or any  
 effect or protect the lien hereof, the mortgagors  
 in connection with said suit, and further agree  
 the title, and such sums shall be secured hereby

rtgagee shall have the right forthwith to enter  
 et the rents, issues and profits thereof, and apply  
 eured, and the mortgagee shall have the right  
 e mortgaged premises. The rents, issues and  
 the mortgagee as additional security for the

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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, administra-  
 tors, successors and assigns of the respective parties hereto.

WHEREAS, mortgagors have assigned or waived, or will assign or waive to the  
 mortgagee, as additional security for the indebtedness described herein,  
 certain grazing leases, permits, licenses and/or privileges, to-wit:

Taylor Grazing Privileges for 446 AUMs

Mortgagors covenant and agree that they are the lawful owners and holders  
 thereof and that they are free from encumbrance and have not been assigned;  
 and mortgagors further covenant and agree to procure renewals thereof upon  
 or prior to their expiration date, to execute any instrument deemed by the  
 mortgagee necessary to effect an assignment or waiver of such renewals to  
 the mortgagee, and to pay all fees and charges, and to perform all acts and  
 things necessary to preserve and keep in good standing all of said leases,  
 permits, licenses, and/or privileges, and all renewals thereof; and they will  
 take no action which would adversely affect any of such rights or their pre-  
 ference status thereunder and that in the event of foreclosure of this  
 mortgage they will waive all claims for preference in any of such rights upon  
 demand from the purchaser of the mortgaged property at foreclosure sale, or  
 any successor to such purchaser; and further agree that the lands covered by  
 said leases, permits, licenses and/or privileges and renewals thereof, shall  
 at all times be operated in conjunction with the lands hereby mortgaged, and  
 that neither shall be transferred to any other person separately from the  
 other. Any leases, permits, licenses and/or privileges which the mortgagor,  
 with the consent of the mortgagee, shall substitute for those hereinabove  
 mentioned, shall be subject to the provision hereof. For any breach by  
 mortgagors of any covenant or agreement in this paragraph contained, the mort-  
 gagee shall have the same rights and/or remedies as are available to it for  
 the breach of any other covenant or agreement of the mortgagors in this  
 mortgage contained, including but not limited to the right to declare the  
 entire mortgage debt due and payable.

This rider is attached to and made a part of mortgage to The Federal Land  
 Bank of Spokane, a corporation, executed by the undersigned, dated  
July 10, 1970.

*J. K. O'Neill*  
*Legg and O'Neill*

Grazing Rider No. 1

Form FLB 559

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STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Klamath County Title Co.

this 24th day of July, A. D., 1970, at 1:21 o'clock P. M., and duly recorded in  
 Vol. M-70, of Mortgages on Page 6163.

WM. D. MILNE, County Clerk

By *Shirley A. Headman* Deputy

Fee \$6.00

6164

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plumbing, lighting, heating, cooling, venti-  
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cured, and the mortgagee shall have the right  
mortgaged premises. The rents, issues and  
the mortgagee as additional security for the

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

STATE OF Oregon }  
County of Klamath } ss.

J. K. O'Neill and Peggy Ann O'Neill,

to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged that (he) (she)  
(they) executed the same as (his) (her) (their) free act and deed.

STATE OF \_\_\_\_\_ }  
County of \_\_\_\_\_ } ss.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Klamath County Title Co.

this 24th day of July A.D. 1970 at 1:21 o'clock P.M., and duly recorded in

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Fee \$6.00

WM. D. MILNE, County Clerk

By [Signature] Deputy

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