Form PCA 405—Rev. 5-71
Spokane

Vol. M74 Page 13051

93614

REAL ESTATE MORTGAGE

KNOW ALL MEN BY THESE PRESENTS, That on this 27th day of August, 19 74,

ROBERT K. THOMPSON AND ROSIE J. THOMPSON, Husband and Wife

hereinafter called the MORTGAGORS, hereby grant, bargain, sell, convey and mortgage to

KLAMATH PRODUCTION CREDIT ASSOCIATION,

a corporation organized and existing under the Farm Credit Act of the Congress of the United States, as amended, with its principal place of business in the City of Klamath Falls,

State of Oregon, hereinafter called the MORTGAGEE, the following described real estate in the

County of Klamath, State of Oregon, to-wit:

PARCEL I: A portion of the SE¼ SE¼ Section 1, Twp. 40 South, Range 8 E.W.M., more particularly described as follows: Beginning at the intersection of the north boundary of the north canal of the Klamath Drainage District with the section line at a point which is 370 feet, more or less, north of the corner common to Sections 1 and 12, Twp. 40 South, Range 8 E.W.M. and Sections 6 and 7, Twp. 40 South, Range 9 E.W.M.; thence North along said section line, 457 feet, more or less, to the southwesterly boundary of the right of way of the Lower Klamath Lake Secondary State Highway; thence northwesterly along said right of way line, North 23°04' West, 166.4 feet, and North 28°42' West, 158.1 feet, to a second point on said right of way boundary; thence South 46°29' West 320 feet, more or less, to the northeasterly boundary of said north canal of the Klamath Drainage District; thence Southeasterly, along said canal boundary, to the point of beginning, being that portion of a parcel of land described in a deed from Gordon Lacey and Constance Lacey, to A. H. Patterson Jr., and filed in Klamath County Deed Records, Vol. 154, page 26, lying northeasterly from said canal and southwesterly from said highway.

OCT 4 2 57 PM 1974

PARCEL II: All that portion of Lot 1, Section 6, Twp. 40 South, Range 9 E.W.M. in Klamath County, Oregon, lying southwesterly from the Lower Klamath Lake Secondary State Highway, not included in the canal right of way of the Klamath Drainage District.

together with all the tenements, hereditaments, rights, privileges, appurtenances, and fixtures, including all irrigating and watering apparatus, now or hereafter belonging to, located on, or used in connection with the above described premises, [illegible] duits and rights of way thereof, appurtenant to said premises or used in connection therewith; and together with all range and [illegible] issued in connection with or appurtenant to the said real property; and the mortgagors covenant that they will comply with all rules, regulations and laws pertaining thereto and will in good faith endeavor to keep the same in good standing and will execute all waivers and other documents required to give effect to these covenants, and that they will not sell, transfer, assign or otherwise dispose of said rights or privileges without the prior written consent of the mortgagee.

SUBJECT TO

This conveyance is intended as a mortgage securing the performance of the covenants and agreements hereinafter contained, and the payment of the debt evidenced by the following described promissory note(s) made by one or more of the Mortgagors (unless otherwise indicated) to the order of the Mortgagee:

MATURITY DATE	DATE OF NOTE	AMOUNT OF NOTE
December 5, 1978	August 27, 1974	$11,217.00

This mortgage is intended to secure not only the note(s) herein before specifically described, but also any future advances, [illegible] balance of indebtedness, however evidenced, not exceeding $ 11,217.00, plus interest as hereinafter provided, due from Mortgagors to Mortgagee, or its assigns or successors, whether now existing or contracted for within a period of [illegible] years from and after the date of filing of this mortgage; and this mortgage shall not be discharged nor shall its effectiveness as security for advances hereafter made be affected, by the fact that at certain times there may exist no indebtedness due from Mortgagors to Mortgagee; but the lien of this mortgage shall continue as security for any loan or advance made to Mortgagors by Mortgagee or its assigns, until it has been intentionally released. All indebtedness secured by this mortgage shall bear interest at the rate specified in the note(s) evidencing such indebtedness, provided, however, that if such rate or rates are thereafter increased or decreased by Mortgagee, all of the indebtedness secured hereby shall bear such increased or decreased rate of interest from the effective date thereof.

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 encumbrances except as stated above; and each of the [illegible] will warrant and defend the same forever against the lawful claims and demands of all [illegible] stated above, hereby relinquishing all dower and homestead rights in the premises; and these covenants shall not be extinguished by any foreclosure hereof, but shall run with the land;

To pay when due all debts and money secured hereby;

13052

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 demolishment of any thereof; 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 suffer no other lien or encumbrance prior to the lien of this mortgage to exist at any time against said premises, except as stated above;

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 when due all premiums and charges on all such insurance; to deposit with the Mortgagee, upon request, all insurance policies affecting the mortgaged premises, all of which said insurance shall be made payable, in case of loss, to the Mortgagee, with a mortgagee clause satisfactory to the Mortgagee;

To keep in good standing and free from delinquencies all obligations under any mortgage or other lien which is prior to this mortgage.

Should the Mortgagors be or become in default in any of the covenants or agreements herein contained, then the Mortgagee may at its option, perform the same in whole or in part, and all expenditures made by the Mortgagee in so doing shall bear interest at the rate borne by the principal debt hereby secured, 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, 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 of 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 the records and abstracting or insuring the title, and such sums and costs and expenses shall be secured hereby and be 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, except under circumstances where such taking is expressly prohibited by law, 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 and/or to manage the property during the pendency of legal proceedings. The rents, issues and profits of said premises after default shall accrue to Mortgagee's benefit and are hereby assigned and mortgaged to Mortgagee as additional security for the indebtedness herein described.

The rights and remedies conferred on Mortgagee by this mortgage are cumulative and additional to any and all other rights and remedies conferred by law, and are not exclusive. If any provision of this mortgage be found invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof; and the mortgage shall be construed as though the invalid or unenforceable provision had been omitted.

The covenants and agreements herein contained shall extend to and [illegible] upon our heirs, executors, administrators and assigns of the respective parties hereto.

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

Robert K Thompson

Rosie J. Thompson

(Leave this space blank for filing data)

STATE OF OREGON }
County of Klamath } ss.

Filed for record at ~~request of~~

on this 11th day of October A. D., 19 74
at 2:57 o'clock P.M. and duly
recorded in Vol. M-74 of MORTGAGES
Page 13052

WM. D. MILNE, County Clerk
By [illegible] Deputy.

ACKNOWLEDGMENT.

STATE OF Oregon }
County of Klamath } ss.

On this 2nd day of October, 19 74
before me, the undersigned [illegible], personally appeared
the above named Robert K. Thompson
and Rosie J. Thompson
and acknowledged the foregoing instrument to be their voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

[illegible]
Notary Public, State of OREGON

SEAL

My Commission expires Oct. 18, 1974