

28272

Vol. 77 Page 6559

FEDERAL LAND BANK MORTGAGE

KNOW ALL MEN BY THESE PRESENTS, That on this 14th day of April, 1977,

Hoefler Bros., a Co-partnership consisting of Paul Hoefler and Joe Hoefler; Paul Hoefler, same person as Paul H. Hoefler and Marilyn R. Hoefler, husband and wife; and Joe Hoefler, same person as Joe R. Hoefler, unmarried,

FLB
LOAN 168793-6Recorded _____
at _____ o'clock _____
_____, Page _____

Auditor, Clerk or Recorder

hereinafter called the Mortgagors, hereby grant, bargain, sell, convey and mortgage to THE FEDERAL LAND BANK OF SPOKANE, a corporation in Spokane, Washington, 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 1 page marked Exhibit "A" which is attached hereto and is by reference made a part hereof.

EXHIBIT "A"

FLB 168793-6

APR 17 1977
Township 38 South, Range 11 East of the Willamette Meridian:

Section 31: Lots 3, 4 and the E $\frac{1}{2}$ of the SW $\frac{1}{4}$; EXCEPT those portions of Lots 3 and 4 described in Deed Volume 232 at page 340, in Deed Volume 151 at page 480, and in Deed Volume 107 at page 288; said property also being described as all that portion of the SW $\frac{1}{4}$ of Section 34 lying Northeasterly of the Dairy-Bonanza Highway and Easterly of the Buck Creek Channel.

Township 38 South, Range 11 $\frac{1}{2}$ East of the Willamette Meridian.

6560

Section 23: All that portion of the SW $\frac{1}{4}$ lying Southeasterly of the right of way of Klamath Falls-Lakeview Highway;

A tract of land located in SE $\frac{1}{4}$ more particularly described as follows: Beginning at an iron pin set on the East-West Section line common to Sections 23 and 26, said point being North 88°33' West a distance of 1052.0 feet from an iron pin set on the West boundary of the county road right of way, said pin being 30 feet West of the center line of said road, and the Section corner common to Sections 23, 24, 25 and 26, Township 38 South, Range 11 $\frac{1}{2}$ East of the Willamette Meridian; thence North 41°13' West a distance of 821.0 feet; thence North 35°18' West a distance of 877.6 feet to the intersection with the East-West fence line; thence North 87°48' West a distance of 416.5 feet along said fence line to the fence corner; thence South 3°47' West a distance of 1303.3 feet to the quarter corner common to Sections 23 and 26, Township 38 South, Range 11 $\frac{1}{2}$ East of the Willamette Meridian; thence South 88°33' East a distance of 1558.0 feet, more or less, along the Section line common to Sections 23 and 26 to the point of beginning.

of Section 34 lying Northeasterly of the Dairy-Bonanza Highway and Easterly of the Buck Creek Channel.

Township 38 South, Range 11½ East of the Willamette Meridian.

6560

Section 23: All that portion of the SW¼ lying Southeasterly of the right of way of Klamath Falls-Lakeview Highway;

A tract of land located in SE¼ more particularly described as follows: Beginning at an iron pin set on the East-West Section line common to Sections 23 and 26, said point being North 88°33' West a distance of 1052.0 feet from an iron pin set on the West boundary of the county road right of way, said pin being 30 feet West of the center line of said road, and the Section corner common to Sections 23, 24, 25 and 26, Township 38 South, Range 11½ East of the Willamette Meridian; thence North 41°13' West a distance of 821.0 feet; thence North 35°18' West a distance of 877.6 feet to the intersection with the East-West fence line; thence North 87°48' West a distance of 416.5 feet along said fence line to the fence corner; thence South 3°47' West a distance of 1303.3 feet to the quarter of section corner common to Sections 23 and 26, Township 38 South, Range 11½ East of the Willamette Meridian; thence South 88°33' East a distance of 1558.0 feet, more or less, along the Section line common to Sections 23 and 26 to the point of beginning.

Section 25: W½; SE¼; EXCEPT a portion of the NE¼NW¼ more particularly described as follows: Beginning at the Northeast corner of the NE¼NW¼; thence South along the center section line 400 feet to a point; thence Northwesterly to a point on the North line of the NE¼NW¼, said point being West 140 feet from the point of beginning; thence East along the North line of the NE¼NW¼ to the point of beginning.

Section 26: The E½; All that portion of the NW¼ lying Southeasterly of the Klamath Falls-Lakeview Highway (State Highway 140); N½SW¼ EXCEPTING a tract of land located in the NE¼ of said Section 26 described as follows: Beginning at an iron pin set on the West boundary of the County road right of way, said point being 30 feet West of the centerline of said road and the Section corner common to Sections 23, 24, 25 and 26, Township 38 South, Range 11½ East of the Willamette Meridian; thence South along the West boundary of the County Road a distance of 1553.0 feet to a fence corner; thence North 81°50' West along said fence a distance of 102.3 feet; thence North 24°23' West a distance of 1095.0 feet; thence North 41°13' West a distance of 751.7 feet to an iron pin set on the East-West section line common to Sections 23 and 26, Township 38 South, Range 11½ East of the Willamette Meridian; thence South 88°33' East a distance of 1052.0 feet, more or less, along said section line, to the point of beginning.

Section 34: E½SE¼; SW¼SE¼

Section 35: NW¼NE¼; All that portion of the SE¼NE¼ lying Northeasterly of the Dairy-Bonanza Highway.

Section 36: N½N½; SE¼NE¼; All that portion of the SW¼NW¼ lying Northeasterly of the Dairy-Bonanza Highway. EXCEPT the Westerly 300 feet of the Northerly 900 feet of the W½NW¼ of said Section 36.

Township 39 South, Range 11½ East of the Willamette Meridian.

Section 3: N½ of Lots 1 and 2, EXCEPT that portion of Lot 2 lying Westerly of the county road as located across said Lot on April 6, 1957. AND FURTHER EXCEPTING any portions of the above described parcels of real property lying within the rights of way for railroads, county roads, and highways.

Together with a 75 h.p. U.S. motor, Serial #658015 and a Johnson Pump, Serial #15534 and with a 30 h.p. U.S. motor, Serial #820804 and a Johnson Pump, Serial #JB4432, and any replacements thereof; all of which are hereby declared to be appurtenant thereto.

Initials *PH 2/24 JB*

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 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 \$ 50,000.00, 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 May, 1992. 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; to complete without delay the construction on said premises of any building, structure or improvement in progress, any improvements to existing structures in progress, and any improvements or remodeling for which the loan hereby secured was granted in whole or in part; not to remove or demolish or permit the removal or demolition of any building thereon; to restore promptly in a good and workmanlike manner any building, structure or improvement thereon which may be damaged or destroyed; to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property and its use; not to use or permit the use of said premises for any unlawful or objectionable purpose; not to cut or permit the cutting of timber from said premises except for domestic use; to maintain and cultivate the premises in good and husbandlike manner, using approved methods of preserving the fertility thereof; to keep the orchards on said lands properly irrigated, cultivated, sprayed, pruned and cared for; not to commit or suffer waste of any kind upon said premises; and to do all acts or things necessary to preserve all water rights now or hereafter appurtenant to or used in connection with said premises.

To pay before delinquency all taxes, assessments and other charges upon said premises, all assessments upon water company stock, and all rents, assessments and charges for water appurtenant to or used in connection with said property; and to suffer no other encumbrance, charge or lien against said premises which is superior to this mortgage.

To keep all buildings now existing or hereafter erected continuously insured against loss or damage by fire and such other risks in manner and form and in such company or companies and in such amounts 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 premises, with receipts showing payment of all premiums and charges affecting said policies; and that all insurance whatsoever affecting the premises shall be made payable, in case of loss, to the mortgagee, with a loss payable 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 may be applied by the mortgagee upon the indebtedness hereby secured in such manner as it may 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 Credit Act of 1971 and any acts amendatory or supplementary thereto and the regulations of the Farm Credit Administration, and are subject to all the terms, conditions and provisions thereof, which 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.

It is agreed that if there is a prior mortgage to The Federal land lands herein mortgaged, or any part thereof, default in the performance of either this mortgage or the prior mortgage shall be considered and mortgagee may, at its option, declare either or both of the mortgages payable.

It is agreed that this mortgage, without affecting the validity as executed and shall be construed as a Security Agreement and as a under the Oregon Uniform Commercial Code, granting to mortgagee a personal property collateral described herein, and in the goods described are to become fixtures. In addition to the rights and remedies provided have all the rights and remedies granted by such code; and reasonable requested, shall be five (5) days.

For the purpose of a Fixtures Financing Statement, the debtors are party is the mortgagee, the address of the secured party from which the security interest may be obtained is 900 Klamath Avenue, P.O. 97601, and the mailing address of the debtors is Route 1, Box 241,

This mortgage secures an obligation incurred in whole or in part for improvement on said land.

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

Paul H. Hoefler
Paul Hoefler, same person as Paul H. Hoefler
Marilyn R. Hoefler
Marilyn R. Hoefler
Joe R. Hoefler
Joe Hoefler, same person as Joe R. Hoefler

HOEFLER BROS.

BY: Paul

BY: Joe R.

STATE OF Oregon } ss.
County of Klamath

On 4-18-77

Paul Hoefler, same person as Paul H. Hoefler and Marilyn R. Hoefler,

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

Paul
NOTARY

My Commission Expires

STATE OF Oregon } ss.
County of Klamath

On 4-18-77

Joe Hoefler, same person as Joe R. Hoefler,

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

Paul
NOTARY

My Commission Expires

said mortgaged premises,
State or any department,

roads, now or hereafter
ing, cooling, ventilating,
onnection with the above
waters and water rights of
ts of way therefor, which
h.

hereinafter contained, and
mortgagee, of even date
d note, being payable in
payments not made when

convey and mortgage the
the same forever against
y foreclosure hereof, but

air; to complete without
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in part; not to remove or
workmanlike manner any
ordinances, regulations,
of said premises for any
omestic use; to maintain
ity thereof; to keep the
waste of any kind upon
to or used in connection

s upon water company
; and to suffer no other

and such other risks in
mortgagee; to pay all
e policies affecting the
insurance whatsoever
r of and satisfactory to
may be applied by the

ntitled at its option to
e mortgagee upon the

, then the mortgagee
perform the same in
cent per annum, and
uing thereon, shall be

hereof, or if default be
xpended for purposes
gee, or if said land or
indebtedness hereby
be foreclosed; but the
or relinquishment of

ed, or any suit which
gagors agree to pay a
to pay the reasonable
nded in the decree of

ter into and upon the
same, less reasonable
ment of a receiver to
er default are hereby

n Credit Act of 1971
are subject to all the

tors, administrators,

It is agreed that if there is a prior mortgage to The Federal Land Bank of Spokane on the lands herein mortgaged, or any part thereof, default in the performance of any of the covenants of either this mortgage or the prior mortgage shall be considered a default of both mortgages and mortgagee may, at its option, declare either or both of the mortgages immediately due and payable.

It is agreed that this mortgage, without affecting the validity as a real estate mortgage, is also executed and shall be construed as a Security Agreement and as a Fixtures Financing Statement under the Oregon Uniform Commercial Code, granting to mortgagee a security interest in the personal property collateral described herein, and in the goods described which are fixtures or are to become fixtures. In addition to the rights and remedies provided herein, mortgagee shall have all the rights and remedies granted by such code; and reasonable notice, when notice is requested, shall be five (5) days.

For the purpose of a Fixtures Financing Statement, the debtors are the mortgagors, the secured party is the mortgagee, the address of the secured party from which the information concerning the security interest may be obtained is 900 Klamath Avenue, P.O. Box 148, Klamath Falls, OR 97601, and the mailing address of the debtors is Route 1, Box 241, Bonanza, OR 97623.

This mortgage secures an obligation incurred in whole or in part for the construction of an improvement on said land.

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

Paul H. Hoefler
Paul Hoefler, same person as Paul H. Hoefler
Marilyn R. Hoefler
Marilyn R. Hoefler
Joe R. Hoefler
Joe Hoefler, same person as Joe R. Hoefler

HOEFLER BROS.

BY: Paul H. Hoefler
Paul Hoefler, partner
BY: Joe R. Hoefler
Joe Hoefler, partner

STATE OF Oregon }
County of Klamath } ss.

Paul Hoefler, same person as Paul H. Hoefler and Marilyn R. Hoefler,

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.

On 4-18-77, before me personally appeared

Carol Cheders
NOTARY PUBLIC

My Commission Expires 10-18-78

On 4-18-77, before me personally appeared

STATE OF Oregon }
County of Klamath } ss.

Joe Hoefler, same person as Joe R. Hoefler,

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.

Carol Cheders
NOTARY PUBLIC

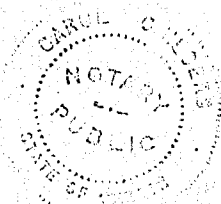
My Commission Expires 10-18-78

STATE OF Oregon
COUNTY OF Klamath ss.

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On this 10th day of April, 1977, before me, personally appeared Paul Hoefler and Joe Hoefler, known to me to be the partners in the partnership which executed the within instrument, and acknowledged that they executed the same as such partners in the partnership name freely and voluntarily.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Carol O. Sueder
Notary Public for the State of
residing at Klamath Falls, Oregon
My commission expires 10-18-78

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of TRANSAMERICA TITLE INS. CO

9:06

this 19th day of APRIL A. D. 19 77 at 9:06 o'clock A. M., and

duly recorded in Vol. 177, of DEEDS on Page 6559

Wm D. MILNE, County Clerk

FEE \$ 15.00

By Hayden

Return to:

Cladwell Land Bank

P.O. Box 142

Klamath Falls, Oregon 97601

38-12312