

FEDERAL LAND BANK MORTGAGE

KNOW ALL MEN BY THESE PRESENTS, That on this 23rd day
of May 19 77

Ben J. Adair and Edith W. Adair, 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.

A piece or parcel of land situated in the NE $\frac{1}{4}$ of Section 30, Township 39 South,
Range 10 East of the Willamette Meridian, more particularly described as follows:

Beginning at the section corner common to Sections 19, 20, 29 and 30, Township 39
South, Range 10 East of the Willamette Meridian and running thence Westerly along the
Northerly boundary of the said Section 1573.5 feet more or less to a point 1074.2 feet
Easterly along the said boundary from the 1/4 section corner on the Northerly boundary
of the said Section 30; thence Southerly 2657.5 feet, more or less, to a point in the
Southerly boundary of the said NE $\frac{1}{4}$ of the said Section 30 which is 1074.2 feet Easterly
along the said boundary line from the Southwesterly corner of the said NE $\frac{1}{4}$; thence
Easterly along the said boundary line 1565.2 feet, more or less to the 1/4 section
corner on the Easterly boundary of said Section 30; thence Northerly along the Easterly
boundary of said Section 30, 2656.7 feet, more or less to the point of beginning.

EXCEPTING from the above-described property a strip of land 30 feet wide along the
North side thereof.

ALSO EXCEPTING from the above-described property the following described parcel:

Beginning at the 1/4 corner between Sections 29 and 30 said Township and Range; running
thence North 206 feet; thence West 846 feet, more or less, to the drain ditch; thence
South along the drain ditch 206 feet to the South line of the NE $\frac{1}{4}$ of said Section 30;
thence East 846 feet, more or less, along said South line of the NE $\frac{1}{4}$ to the place of
beginning.

AND ALSO EXCEPTING the following described parcel:

Beginning at a point at the most Easterly Southeast corner of premises described in
deed to Ben Adair, et ux, from R. Cecil Chayne, et ux., recorded December 14, 1959,
in Volume 317 at page 608, Klamath County, Deed Records; thence North along the East
line of said premises a distance of 613 feet to the true point of beginning; thence
North along said East line 537 feet to a point; thence West parallel to the North line
of said Adair Tract, 270 feet to a point; thence South parallel to the East line of
Adair Tract 537 feet to a point; thence East parallel to the North line of said Adair
Tract, 270 feet to the true point of beginning.

ALSO EXCEPTING

Beginning at a point 30 feet South and 30 feet West of the Section Corner Common to
Sections 19, 20, 29 and 30, Township 39 South, Range 10 East of the Willamette Meridian;
thence South, parallel to the section line common to Sections 29 and 30, 208.71 feet
to a point; thence Westerly at right angles 208.71 feet; thence Northerly at right
angles 208.71 feet; thence Easterly at right angles 208.71 feet to the point of beginning.

Subject to one-half of the right of way for County Road along the Easterly boundary
of said Tract.

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FLB
LOAN 169538-4

Recorded _____ o'clock _____
at _____, Page _____

Auditor, Clerk or Recorder

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 \$46,200.00, 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 February, 2012. 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.

IN WITNESS WHEREOF, The mortgagors have hereunto set their hands

STATE OF Oregon } ss.
County of Klamath }
Ben J. Adair and Edith W. Adair,

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

STATE OF OREGON; COUNTY OF KLAMATH; ss. My

I hereby certify that the within instrument was received at
May A.D., 19 77 at 11:06 o'clock A
of Mortgage on Page 9068.

FEE \$9.00

Return to:
Federal Land Bank Assoc.
Box 147
Klamath Falls, Ore 97601

said premises for any
hestic use; to maintain
y thereof; to keep the
aste of any kind upon
or used in connection

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

entitled at its option to
he mortgagee upon the

ed, then the mortgagee
on, perform the same in
er cent per annum, and
ruing thereon, shall be

s hereof, or if default be
e expended for purposes
tgagee, or if said land or
all indebtedness hereby
ay be foreclosed; but the
liver or relinquishment of

ecured, or any suit which
mortgagors agree to pay a
ree to pay the reasonable
included in the decree of

o enter into and upon the
y the same, less reasonable
pointment of a receiver to
es after default are hereby

e Farm Credit Act of 1971.
n, and are subject to all the

executors, administrators,

9070

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

Ben J. Adair
Edith W. Adair

STATE OF Oregon }
County of Klamath } ss.

Ben J. Adair and Edith W. Adair,

On May 25, 1977, before me personally appeared

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.

Albert R. Harp
NOTARY PUBLIC

My Commission Expires Oct. 30, 1980

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 25 day of May A.D., 19 77 at 11:06 o'clock A M., and duly recorded in Vol M77,

of Mortgage on Page 9068.

FEE \$ 9.00

WM. D. MILNE, County Clerk

By *Raymond* Deputy

NOTARY PUBLIC

My Commission Expires _____

Return to:
Federal Land Bank Assoc.
Box 148
Klamath Falls, Ore 97601

CA