

33160

Vol. ^M Page 13493

FEDERAL LAND BANK MORTGAGE

KNOW ALL MEN BY THESE PRESENTS, That on this 13th day
of July 1977

FLB
LOAN 170272-2

Recorded _____
at _____ o'clock _____
_____, Page _____

Auditor, Clerk or Recorder

John R. Norton III, a married man dealing in his separate
property; and A. T. Spence, Jr. and Ophelia Spence,
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 page
marked Exhibit "A" which is attached hereto and is by reference made a part hereof.

EXHIBIT "A"

FLB #170272-2

A parcel of land situate in Sections 11, 12, 13, 14, 23, 24 and 25 all in Township
34 South, Range 7½ East of the Willamette Meridian, being more particularly
described as follows:

Beginning at a brass capped monument marking the Northeast corner NW¼ of
said Section 13; thence South 01° 18' 11" East along the center of section line 1329.05
feet to a 5/8 inch iron pin; thence North 83° 55' 56" East, 303.21 feet to a 5/8 inch
iron pin; thence North 77° 27' 38" East 743.71 feet to a 5/8 inch iron pin; thence
South 23° 27' East, 904.20 feet to a 5/8 inch iron pin; thence East, 155.31 feet to a
5/8 inch iron pin on the Northwesterly bank of Crooked Creek; thence continuing East, to
the centerline of said Crooked Creek; thence Southerly along the centerline of said
Crooked Creek to a point on the North line SE¼NW¼SE¼ of said Section 13; thence North
89° 55' 34" West along said North line to a 5/8 inch iron pin on the Northwesterly bank
of Crooked Creek; thence Continuing along said North line North 89° 55' 34" West 208.75
feet to a 5/8 inch iron pin marking the Northwest corner SE¼NW¼SE¼ of said Section 13;
thence South 01° 27' 14" East 662.91 feet to a 5/8 inch iron pin marking the Southwest
corner SE¼NW¼SE¼ of said Section 13; thence South 89° 56' 02" East, 661.13 feet to a
5/8 inch iron pin marking the Southeast corner NW¼SE¼ of said Section 13; thence South
01° 36' 42" East, 1325.74 feet to a 5/8 inch iron pin marking the Southwest corner
SE¼SE¼ of said Section 13; thence South 89° 56' 58" East, 1329.56 feet to a brass capped
monument marking the Southeast corner of said Section 13; thence South 00° 03' 20"
East along the section line 1450.38 feet to a ½ inch iron pin; thence South 82° 39' 36"
West, 280.19 feet to a ½ inch iron pin; thence South 85° 18' 24" West, 267.93 feet to a
36 inch pine tree; thence South 01° 51' 47" West, 357.64 feet to a ½ inch iron pin;
thence South 83° 37' 38" West, 161.18 feet to a 32 inch pine tree; thence South
02° 03' 27" East, 145.28 feet to a ½ inch iron pin; thence South 77° 38' 34" West,
540.43 feet to a ½ inch iron pin on the Easterly bank of Crooked Creek; thence continuing
South 77° 38' 34" West to the centerline of said Crooked Creek; thence Southerly along
the centerline of said Crooked Creek to a point in said Section 25 from which the
Northeast corner of said Section 25 bears North 87° 18' 30" East a distance of 1589.28
feet; thence leaving said creek South 27° 52' 51" East, 252.57 feet to a 5/8 inch iron
pin; thence continuing South 27° 52' 51" East, 43.43 feet to a 5/8 inch iron pin on
the centerline of that certain easement described in Deed Volume 358 at page 471,
Klamath County Deed Record; thence along the centerline of said easement the following
courses and distances: North 85° 16' 31" West, 420.66 feet to a 5/8 inch iron pin;
South 69° 16' 28" West, 339.99 feet to a 5/8 inch iron pin; South 52° 04' 22" West,
307.99 feet to a 5/8 inch iron pin; South 28° 50' 21" West, 134.01 feet to a 5/8 inch
iron pin; South 43° 40' 20" West, 224 feet to a 5/8 inch iron pin; South 29° 27' 04"
West, 201 feet to a 5/8 inch iron pin; South 04° 07' 38" East, 42.10 feet to a 5/8
inch iron pin; South 23° 32' 52" East, 415.26 feet to a 5/8 inch iron pin on the mean
high water line of Wood River; thence leaving said easement and along the mean high
water line of said Wood River in a Northerly direction upstream to a point in said
Section 14 where said mean high water line intersects the North line of said Section
14; thence leaving the mean high water line of said Wood River North 89° 48' 46"
East along the section line 1122 feet to a 1 inch iron pipe; thence North 01° 00' 35"
West, 1349.19 feet to a 5/8 inch iron pin marking the Northwest corner SE¼SW¼ of said
Section 11; thence South 89° 57' 19" East, 3958.62 feet to a 5/8 inch iron pin marking
the Northeast corner SE¼SE¼ of said Section 11; thence South 89° 36' 42" East, 2651.91
feet to a brass capped monument marking the Northwest corner SW¼SE¼ of said Section 12;
thence South 00° 45' 00" East, 1322.61 feet to the point of beginning.

13494

TOGETHER WITH: A roadway easement for the purpose of ingress and egress 50 feet
in width lying 25 feet on each side of the following described centerline: Commencing
at the Southeast corner NE¼ of said Section 24; thence North 00° 03' 20" West along the
section line 1194.78 feet; thence South 82° 39' 36" West, 25.20 feet to the point of begin-
ning for the centerline of this easement; thence South 00° 03' 20" East parallel to
but 25 feet Westerly of the section line 1191.58 feet; thence South 00° 03' 24" East
parallel to but 25 feet Westerly of the section line 1346.71 feet; thence South
parallel to but 25 feet Southerly of the North line of Government

Section 14 where said mean high water line intersects the North line of said Section 14; thence leaving the mean high water line of said Wood River North 89° 48' 46" East along the section line 1122 feet to a 1 inch iron pipe; thence North 01° 00' 35" West, 1349.19 feet to a 5/8 inch iron pin marking the Northwest corner SE $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 11; thence South 89° 57' 19" East, 3958.62 feet to a 5/8 inch iron pin marking the Northeast corner SE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 11; thence South 89° 36' 42" East, 2651.91 feet to a brass capped monument marking the Northwest corner SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 12; thence South 00° 45' 00" East, 1322.61 feet to the point of beginning. 13494

TOGETHER WITH: A roadway easement for the purpose of ingress and egress 50 feet in width lying 25 feet on each side of the following described centerline: Commencing at the Southeast corner NE $\frac{1}{4}$ of said Section 24; thence North 00° 03' 20" West along the section line 1194.78 feet; thence South 82° 39' 36" West, 25.20' to the point of beginning for the centerline of this easement; thence South 00° 03' 20" East parallel to but 25 feet Westerly of the section line 1191.58 feet; thence South 00° 03' 24" East parallel to but 25 feet Westerly of the section line 1346.71 feet; thence South 88° 57' 13" East, parallel to but 25 feet Southerly of the North line of Government Lot 4 of Section 19, Township 34 South, Range 7 East of the Willamette Meridian, 922.12 feet; thence South 05° 32' 32" East parallel to but 25 feet Westerly of the Westerly right of way line of Oregon State Highway #427, 657.51 feet to the centerline of an existing roadway easement; thence North 60° 36' 37" East, 27.33 feet to a point on the Westerly right of way line of said State Highway said point being the terminus of the centerline of this roadway easement.

Together with a 30 HP U.S. motor and a Bauer pump; a 60 HP U.S. motor and a Verti line pump, and any replacements thereof all of which are hereby declared to be appurtenant thereto. ✓

INITIALS

[Handwritten signature]

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 \$ 510,000.00, 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 November, 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

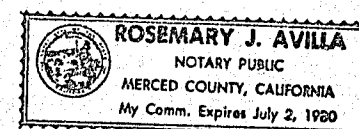
STATE OF Arizona } ss.
County of Maricopa }

John R. Norton III,

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 California } ss.
County of Merced }

A. T. Spence, Jr. and Ophelia Spence,
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.

I hereby certify that the within instrument was received

July 19 A.D., 19 77 at 12:13 o'clock P

of Mortgages on Page 13493

FEE \$12.00

13496

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

John R. Norton III
A. T. Spence, Jr.
Ophelia Spence

STATE OF Arizona }
 County of Maricopa } ss.

John R. Norton III,

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 July 22, 1977, before me personally appeared

Jacqueline A. Buck
 NOTARY PUBLIC
 My Commission Expires December 26, 1980

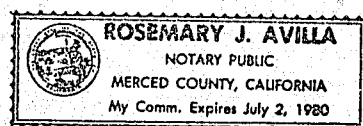
STATE OF California }
 County of Merced } ss.

A. T. Spence, Jr. and Ophelia Spence,

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 July 27, 1977, before me personally appeared

Rosemary J. Avilla
 NOTARY PUBLIC
 My Commission Expires July 2, 1980
 Return to:
 Federal Land Bank Assoc.
 1488 Falls, Ore 97601



STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 28 day of July A.D., 19 77 at 12:13 o'clock P M., and duly recorded in Vol. M 77, of Mortgages on Page 13493.

FEE \$12.00

WM. D. MILNE, County Clerk
 By *Pat McCullough* Deputy