33948 Position 5 33362 MTC 1342-3555 **USDA-FmHA** Form FmHA 427-1 OR REAL ESTATE MORTGAGE FOR OREGON 1977 (Rev. 12-2-75) CIRCLE FIVE RANCH, INC., an Oregon THIS MORIGAGE is made and entered into by ----corporation, County, Oregon, whose post office Klamath residing in . , Oregon <u>97623</u> Route 1, Box 69A, Bonanza address is -WHEREAS Borrower is indebted to the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, herein called the "Government," as evidenced by one or more promissory note(s) or assumption agreement(s), herein called "note," which has been executed by Borrower, is payable to the order of the Government, authorizes acceleration of the entire indebtedness at the option of the Government upon any default by herein called "Borrower," and: Borrower, and is described as follows: Due Date of Final Annual Rate Installment of Interest Principal Amount Date of Instrument AUGUST 2, 2017 1984 5.0% \$68,000.00 AUGUST 2, 1977 AUGUST 2, 1984 2017 \$927,000.00 8.0% AUGUST 2, 1977 ** This instrument re-recorded to correct due date of final payments **

And the note evidences a loan to Borrower, and the Government, at any time, may assign the note and insure the Tayment thereof pursuant to the Consolidated Farm and Rural Development Act, or Title V of the Housing Act of 1949:

And it is the purpose and intent of this instrument that, among other things, at all times when the note is held by the Government, or in the event the Government should assign this instrument without insurance of the note, this instrument shall not secure payment of the note or attach to the debt evidenced thereby, but as to the note and such debt shall constitute an indemnity mortgage to secure the Government against loss under its insurance contract by reason of any default by Borrower:

NOW THEREFORE, in consideration of the loan(s) and (a) at all times when the note is held by the Government, or in the event the Government should assign this instrument without insurance of the payment of the note, to secure prompt in the event the Government should assign this instrument without insurance contained therein, (b) at all times when the note is held by an insured holder, to secure performance of Borrower's agreement herein to indemnify and tame harmless the Government against loss under its insurance contract by reason of any default by Borrower, and (c) in any event and at all times to secure the prompt payment of all advances and expenditures made by the Government, with interest, as all times to secure the prompt payment of all advances and expenditures made by the Government, with interest, as the reinafter described, and the performance of every covenant and agreement of Borrower contained herein or in any supplementary agreement, Borrower does hereby grant, bargain, sell, convey, mortgage, and assign with general warranty unto the mentary agreement. Borrower does hereby grant, bargain, sell, convey, mortgage, and assign with general warranty unto the ** This instrument re-recorded to correct due date of final payments ** Government the following property situated in the State of Oregon, County (ies) of SEE ATTACHED EXHIBIT FmHA 427-1 OR (Rev. 12-2-75) 14603

13802

together with all rights, interests, easements, hereditaments and appurtenances thereunto belonging, the rents, issues, and profits thereof and revenues and income therefrom, all improvements and personal property now or later attached thereto or reasonably necessary to the use thereof, including, but not limited to, ranges, refrigerators, clothes washers, clothes dryers, or carpeting purchased or financed in whole or in part with loan funds, all water, water rights, and water stock pertaining thereto, and all payments at any time owing to Borrower by virtue of any sale, lease, transfer, conveyance, or condemnation of any part thereof or interest therein-all of which are herein called "the property";

TO HAVE AND TO HOLD the property unto the Government and its assigns forever in fee simple.

BORROWER for himself, his heirs, executors, administrators, successors and assigns WARRANTS THE TITLE to the property to the Government against all lawful claims and demands whatsoever except any liens, encumbrances, easements, reservations, or conveyances specified hereinabove, and COVENANTS AND AGREES as follows:

(1) To pay promptly when due any indebtedness to the Government hereby secured and to indemnify and save harmless the Government against any loss under its insurance of payment of the note by reason of any default by Borrower. At all times when the note is held by an insured holder, Borrower shall continue to make payments on the note to the Government. ment as collection agent for the holder.

(2) To pay to the Government such fees and other charges as may now or hereafter be required by regulations of the Farmers Home Administration.

(3) If required by the Government, to make additional monthly payments of 1/12 of the estimated annual taxes, assessments, insurance premiums and other charges upon the mortgaged premises.

(4) Whether or not the note is insured by the Government, the Government may at any time pay any other amounts required herein to be paid by Borrower and not paid by him when due, as well as any costs and expenses for the preservation, protection, or enforcement of this lien, as advances for the account of Borrower. All such advances shall bear interest at the rate borne by the note which has the highest interest rate.

(5) All advances by the Government as described in this instrument, with interest, shall be immediately due and payable by Borrower to the Government without demand at the place designated in the latest note and shall be secured hereby. No such advance by the Government shall relieve Borrower from breach of his covenant to pay. Such advances, with interest, shall be repaid from the first available collections received from Borrower. Otherwise, any payment made by Borrower may be applied on the note or any indebtedness to the Government secured hereby, in any order the Government determines.

To use the loan evidenced by the note solely for purpose authorized by the Government.

(7) To pay when due all taxes, liens, judgments, encumbrances, and assessments lawfully attaching to or assessed against the property, including all charges and assessments in connection with water, water rights, and water stock pertaining to or reasonably necessary to the use of the real property described above, and promptly deliver to the Government without demand receipts evidencing such payments.

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(8) To keep the property insured as required by and under insurance policies approved by, delivered to, and retained by the Government.

(9) To maintain improvements in good repair and make repairs required by the Government; operate the property in a good and husbandmanlike manner; comply with such farm conservation practices and farm and home management plans as the Government from time to time may prescribe; and not to abandon the property, or cause or permit waste, lessening or impairment of the security covered hereby, or, without the written consent of the Government, cut, remove, or lease any timber carryled on the property of the security covered hereby, or, without the written consent of the Government, cut, remove, or lease any timber, gravel, oil, gas, coal, or other minerals except as may be necessary for ordinary domestic purposes.

(10) To comply with all laws, ordinances, and regulations affecting the property.

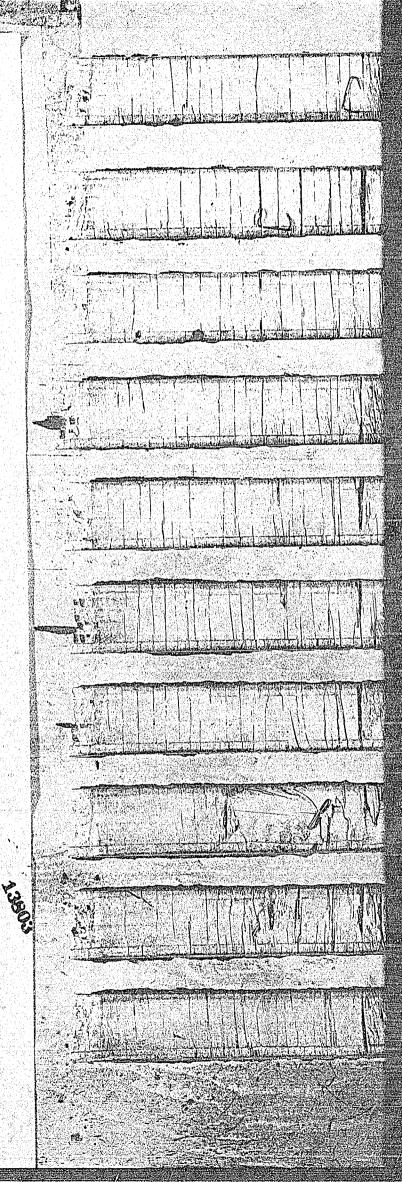
(11) To pay or reimburse the Government for expenses reasonably necessary or incidental to the protection of the lien and priority hereof and to the enforcement of or the compliance with the provisions hereof and of the note and any supplementary agreement (whether before or after default), including but not limited to costs of evidence of title to and and survey of the property, costs of recording this and other instruments, attorneys' fees, trustees' fees, court costs, and expenses of advertising, selling, and conveying the property.

(12) Neither the property nor any portion thereof or interest therein shall be assigned, sold, transferred, or encumbered, voluntarily or otherwise, without the written consent of the Government. The Government shall have the sole and exclusive rights as mortgagee hereunder, including but not limited to the power to grant consents, partial releases, subordinations, and satisfaction, and no insured holder shall have any right, title or interest in or to the lien or any benefits hereof.

(13) At all reasonable times the Government and its agents may inspect the property to ascertain whether the covenants and agreements contained herein or in any supplementary agreement are being performed.

(14) The Government may extend and defer the maturity of and renew and reamortize the debt evidenced by the note or any indebtedness to the Government secured hereby, release from liability to the Government any party so liable thereon, release portions of the property from and subordinate the lien hereof, and waive any other rights hereunder, without affecting the lien or priority, hereof or the liability to the Government of Borrower or any other party for payment of the note or indebtedness secured hereby.

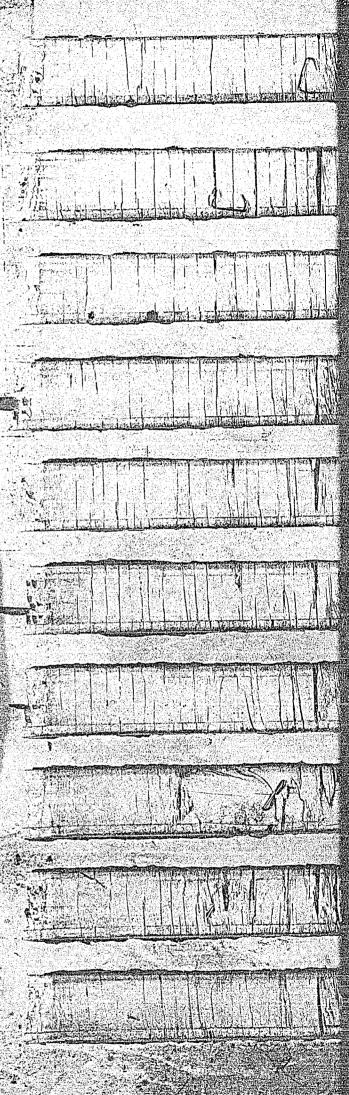
(15) If at any time, it shall appear to the Government that Borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, upon the Government's request, apply for and accept such loan in sufficient amount to pay the note and any indebtedness secured hereby and to pay for any stock necessary

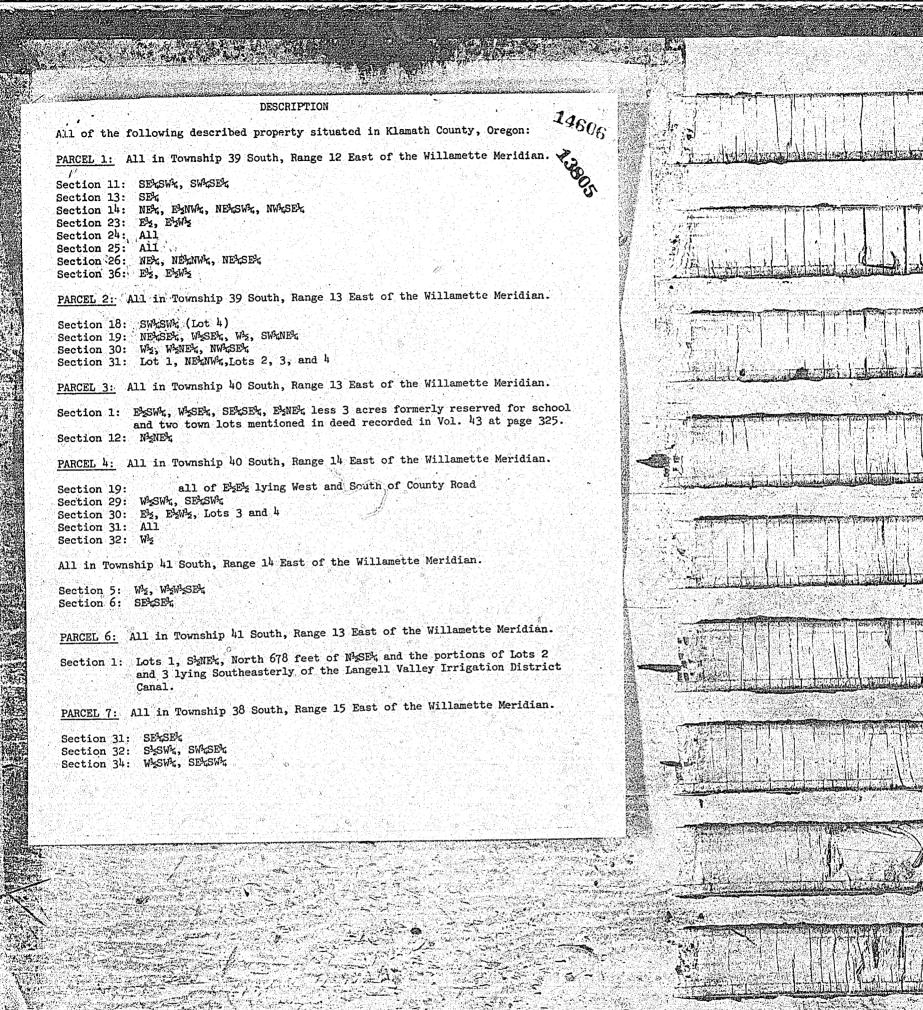


- (22) Notices given hereunder shall be sent by certified mail, unless otherwise required by law, addressed, unless and until some other address is designated in a notice so given, in the case of the Government to Farmers Home Administration, United States Department of Agriculture, at Portland, Oregon 97205, and in the case of Borrower to him at his post office address stated above.

 (23) If any provision of this instrument or application thereof to any person or circumstances is held invalid, such invalidity will not affect other provisions or applications of the instrument which can be given effect without the invalid

WITNESS the hand(s) of Borrower this	2nd day of August , 1977
	By: Maries Lindall Visiones
ACKNO	WLEDGMENT FOR OREGON
amed Louis Randall and Mari	August , 19 77, personally appeared the above-
nd acknowledged the foregoing instrument to be	their voluntary act and deed. Before me: Stable
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(continued) 13806 PARCEL 8: All in Township 39 South, Range 15 East of the Willamette Meridian. Section 3: Lots 3 and 4 (Nanwa,) and Swanwa Lots 1, 2, 3 & 4 (N'2N'2), SVANW4, SEKNE4, SEK Section 4: Wis, NEG Section 5: Section 6: SELSW4, SLSE4, NELSE4, SELNE4 NEWNEW Section 9: EXCEPTING THEREFROM that portion of Sections 5 and 6, Township 41 South, Range, 14 East of the Willamette Meridian, of the above described property, conveyed to Johnson Stock Company, an Oregon corporation, by deed recorded October 7, 1952 in Deed Vol. 257, page 167, records of Klamath County, Oregon; ALSO FURTHER EXCEPTING that portion of said Sections 5 and 6, Township 41 South, Range 14 East of the Willamette Meridian, as set forth in deed to W. D. Campbell, et ux., by deed recorded December 10, 1945 in Deed Vol. 183, page 7, records of Klamath County, Oregon, as follows: EXCEPTING a 3 acre tract described as follows: Beginning at the Northwest corner of SE% of Section 5, Township 41 South, Range 14 East of the Willamette Meridian; thence South 1 chain, more or less, to the center of County Road running Easterly; thence East and South 20 chains; thence North to a point due East of the point of beginning; thence West to the point of beginning; FURTHER EXCEPTING from said Sections 5 and 6, Township 41 South, Range 14 East of the Willamette Meridian, that portion conveyed to Charles W. Kilgore, et al., by deed recorded June 8, 1953 in Deed Vol. 261, page 247, records of Klamath County, Oregon, as follows: All of the NW% of the SE% of Section 5, Township 41 South, Range 14 East of the Willamette Meridian, lying North of the centerline of the Old Grohs Ranch Road, but excluding all of that portion of said NW of the SE% of Section 5 lying North of the Road where it has been relocated in part, it being the intention of the parties that said Grohs Ranch Road as originally established and still apparent on the ground, including the disused portions thereof, shall be the South boundary of this parcel; ALSO EXCEPTING THEREFROM that portion conveyed to Johnson Stock Co., an Oregon corporation, by deed recorded March 29, 1954 in Deed Vol. 266, page 186, records of Klamath County, Oregon, as follows: That portion of the Waswasek of Section 5, Township 41 South, Range 14 East of the Willamette Meridian, described as follows: Starting at the Southwest corner of the E2SW4SE4 of said Section 5; thence North along the boundary line between the W2 and the E2 of said SWASE% of Section 5 for a distance of 150 feet; thence West and parallel with the South boundary of Section 5 a distance of 50 feet; thence South 150 feet to said South boundary of Section 5; thence East 50 feet along said South boundary of Section 5 to the place of beginning;

14608-(continued) EXCEPTING THEREFROM that portion of the ENEK of Section 25, Township 39 South, Range 12 East of the Willamette Meridian conveyed to Eugene W. Wilkinson by deed recorded April 26, 1906, in Deed Vol. 20, page 62, records of Klamath County, EXCEPTING THEREFROM a certain tract set forth in deed recorded in Deed Vol. 7, page 30, records of Klamath County, Oregon, and being one acre tract conveyed to the Baptist Chruch in Section 36, Township 39 South, Range 12 East of W.M. EXCEPTING THEREFROM those portions conveyed to Klamath County by instrument recorded October 3, 1952 in Deed Vol. 257, page 133, records of Klamath County Oregon, being in Sections 31 and 32, Township 40 South, Range 14 East of W.M. PARCEL 9: All in Township 38 South, Range 15 East of the Willamette Meridian. Section 32: SEASEA Section 33: SEKSEK PARCEL 10: All in Township 39 South, Range 15 East of the Willamette Meridian. Section 3: W2SW4 Section 4: Lots 2 and 3, SWANEA, SEANWA, and SWA Section 9: NWANE and NEANWA EXCEPTING AND RESERVING TO THE UNITED STATES from the lands so granted a rightof-way thereon for ditches or canals constructed by the authority of the United States. Act of August 20, 1890, 26 Stat. 391; 43 U.S.C. 945. PARCEL 11: All in Township 39 South, Range 14 East of the Willamette Meridian. Section 16: SELNWL Section 12: SWASEA Section 13: NWWNE4, ELNW4 PARCEL 12: All in Township 38 South, Range 15 East of the Willamette Meridian. Section 6: E\SW4, W\SE4, E\SW4 Section 7: Waney, Nanwa TATE OF OREGON; COUNTY OF KLAMATH; ss. MOUNTAIN TITLE CO cited for record at request of ___ 10;43 A. D. 19.77. At ... o'clock AM., ond AUGUST this 2nd day of _ MORTGAGES _ on Page duly recorded in Vol. 1177 Wm D. MILNE, County Clerk STATE OF OREGON; COUNTY OF KLAMATH; ss. I hereby certify that the within instrument was received and filed for record on the ... __o'clock____AM., and duly recorded in Vol_ <u>AUGUST</u> A.D., 19 77 at 10;43 WM. D. MILNE, Courty Clerk -MORTGAGES FEE \$ 21.00