38-13944

Position 5

USDA-FmHA Form FmHA 427-1 OR (Rev. 9-20-76) REA

REAL ESTATE MORTGAGE FOR OREGON

THIS MORTGAGE is made	e and entered into by	USBAND AND WIFE	
DAN W. DUNCAN AND	KLAMATH		t company to
	TIMEST STATE	Cour	ity, Oregon, whose Production
siding in	AND THE		(Oregon
ddress is STAR ROUTE	BOX 89 MALIN		
erein called "Borrower," and WHEREAS Borrower is in Inited States Department of or assumption agreement(s). Government, authorizes acce Borrower, and is described a		nerica, acting through the land through the land the executed by Borrower, at the option of the Gov. Annual Rate of Interest.	farmers Home Administration on more promissory note(s) is payable to the order of the vernment upon any default by Due Date of Final Installment
E to a compare	Principal Amount	of Interest	1 2019
Date of Instrument	\$50,000.00	5.0%	MAY 1,2018
MAY 1,1978	\$30,000.00		
And it is the purpose at Government, or in the ever shall secure payment of the of the note or attach to the to secure the Government a NOW THEREFORE, in the event the Governmen payment of the note and at note is held by an insured Government against loss wall times to secure the payment of the note and at note is held and according to the note and at the secure the payment of the note and at note is held by an insured Government against loss wall times to secure the payment against and the note and according to the note and according to the note and the not	is a loan to Borrower, and the Gove o the Consolidated Farm and Rural and intent of this instrument that, a not the Government should assign this e note: but when the note is held by debt evidenced thereby, but as to the gainst loss under its insurance contra- n consideration of the loan(s) and (a nt should assign this instrument with my renewals and extensions thereof ar holder, to secure performance of Bo- ander its insurance contract by rease rompt payment of all advances and the performance of every covenant wer does hereby grant, bargain, sell,	information in the control of any default of any agreements contained any agreement herein to of any default by Borrower's agreement herein to of any default by Borrower of any default of Borrower and agreement of Borrower and agreement of Borrower and assembly assem	strument shall not secure payment constitute an indemnity mortgay by Borrower te is held by the Government, on the first of the note, to secure prompt of therein, (b) at all times when the oindemnify and same harmless tower, and (c) in any event and the Government, with interest, contained herein or in any suppling with general warranty unto the
mentary agreement, Borro	property situated in the State of Ore	50	
mentary agreement, 2007	property situated in the State of Ore		



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 Govern-

(2) To pay to the Government such fees and other charges as may now or hereafter be required by regulations of ment as collection agent for the holder.

(3) If required by the Government, to make additional monthly payments of 1/12 of the estimated annual taxes, the Farmers Home Administration. 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

(6) 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 excessments 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.

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

(9) To maintain improvements in good repeir and make repairs required by the Government; operate the property in a (v) To maintain improvements in good repert 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 usets becoming or good and nusualidating manner, comply with such farm conservation practices and farm and nome 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 baraby, or without the written consent of the Covernment out required baraby, or without the written consent of the Covernment out required baraby, or without the written consent of the Covernment. the Government from time to time may prescribe; and not to anandon the property, or cause or permit waste, tessening or impriment of the security covered hereby, or, without the written consent of the Government, cut, remove, or lease any timber grand oil the scalar other minerals assert to the consent of the security covered by other minerals assert to the consent of the covered oil to be compared to the covered of the covered of the covered oil to be consent of the covered oil to be co imperment of the security covered nereby, or, without the written consent of the Government, cut, remotimber, gravel, oil, g.s. (cal. 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 hereand priority hereof and to the enforcement of or the compliance with the provisions hereof and of the note and any and priority nereor and to the emorcement of or the computance with the provisions nereor 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 survey of the property cases of recording this and other instruments attempted for trustees for court of the property. and survey of the property, costs of recording this and other instruments, attorneys' fees, trustees' fees, court costs, and anyeares of advertising selling and convenient to property.

(12) Neither the property nor any portion thereof or interest therein shall be assigned, sold, transferred, or encumber 22. voluntarily or otherwise, without the written consent of the Government. The Government shall have the sole and exclusive expenses of advertising, selling, and conveying the property. voluntarity of otherwise, without the written consent of the Government. The Government shan have the sole and excitative rights as mortgagee hereunder, including but not limited to the power to grant consents, partial releases, subordinations, and extisfaction, and no insured holder than have any right, title or market in or to the lien or any handles have any right. 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

(14) The Government may extend and defer the maturity of and renew and reamortize the debt evidenced by the note (15) At an reasonable times the Government and its agents may inspect the property and agreements contained herein or in any supplementary agreement are being performed. or any indebtedness to the Government secured hereby, release from liability to the Government any party so liable thereon. or any indeptedness to the Government secured nereby, release from habitity to the Government any party so habit 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 December 1977. release portions of the property from and supordinate the nen nereor, and waive any other rights hereander, without affecting the lien or priority hereof or the liability to the Government of Borrower or any other party for payment of the note of indebtedness secured beach.

(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 loops for similar purposes and periods of time. Borrower will upon the Covernment's request upon for and account creuit association, a rederm iand 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 loans in sufficient amount to pay the note and any indultings. Sourced bareby and to pay for any standard paying the paying and such loan in sufficient amount to pay the note and any indebtedness secured hereby and to pay for any stock necessary to be purchased in a cooperative landing graphy in connection with such loan.

(16) Default hereunder shall constitute default under any other real estate or crop or chattel security instrument held or to be purchased in a cooperative lending agency in connection with such loan. insured by the Government and executed or assumed by Borrower, and default under any such other security instrument

(17) SHOULD DEFAULT occur in the performance or discharge of any obligation in this instrument or secured by this instrument, or should any one of the parties named as Borrower die or be declared an incompetent, a bankrupt, or an insulant or make an assignment for the bounds of creations the Comment of its action with or make an assignment for the bounds of creations the Comment of its action with or make an assignment for the bounds of creations. instrument, or should any one or the parties named as norrower die of ne deciated an incompetent, a pankrupt, or an insolvent, or make an assignment for the benefit of creditors, the Government, at its option, with or without notice, may fall declare the entire amount impaid under the note and any indekto-loses to the Covernment harder covernment. (a) declare the entire amount unpaid under the note and any indebtedness to the Government hereby secured immediately due and republe (b) for the account of Borrower in the control of tal deciare the entire amount unpaid under the note and any indeptedness to the coveriment nereoy secured influentially due and payable, (b) for the account of Borrower incur and pay teasonable expenses for repair or maintenance of and take and payable, (b) for the account of Borrower incur and pay teasonable expenses for repair or maintenance of and take programs of the property for upon application by it and production of this increment in those others. possession of, operate or rent the property, (c) upon application by it and production of this instrument without other evidence and without notice of hearing of eaid application, have a receiver appointed for the property, with the second control of the property. possession of, operate of tent the property, (c) upon application by it and production of this instrument, without other evidence and without notice of hearing of said application, have a receiver appointed for the property, with the usual powers of receivers in like cases (d) forcelose this instrument as provided herein or by law and (e) enforce any and all other evidence and without notice of nearing of said application, have a receiver appointed for the property, with the usual powers of receivers in like cases. (d) foreclose this instrument as provided herein or by law, and (e) enforce any and all other pictures and remains provided herein or by property of the property of

(18) The proceeds of foreclosure sale shall be applied in the following order to the payment of: (a) costs and expenses rights and remedies provided herein or by present or future law. incident to enforcing or complying with the provisions hereof, (b) any prior liens required by law or a competent court to be so paid (c) the dabt and need by the note and all indebtedness to the Consequent secured basely. (A) inferent liens be so paid, (c) the debt evidenced by the note and all indebtedness to the Government secured hereby, (d) inferior lies of record required by law or a computant court to be so paid (a) at the Covernment's partial and all indebtedness to the Government's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a computant court to be so paid (a) at the Covernment's partial and a law or a covernment to be so paid (a) at the Covernment's partial and a law or a covernment to be so paid (a) at the Covernment's partial and a law or a covernment to be so paid (a) at the Covernment's partial and a law or a covernment to be so paid (a) at the Covernment's partial and a law or a covernment to be coverned to the covernment to be so paid (a) at the Covernment's partial and a law or a covernment to be coverned to the covernment be so paid, (c) the deof evidenced by the more and an indeptedness to the Government's option, any other indebtedness of record required by law or a competent court to be so paid, (e) at the Government's option, any other indebtedness of Porrower equipe to or incured by the Comment and (f) any balance to Rorrower. At foreclosure or other sale of of record required by law or a competent court to be so paid, (e) at the Government's option, any other indeptedness of Borrower owing to or insured by the Government, and (f) any balance to Borrower. At foreclosure or other sale of all or any part of the property, the Comprehense and its quarte may but and purchase are attributed and property. of borrower owing to or insured by the Government, and (1) any parameter to borrower. At forectosure or other said of all or any part of the property, the Government and its agents may bid and purchase as a stranger and may pay the Government and its agents may be all or any part of the purchase price by graditing reads any many dashes of Rorrower oping to the purchase price by graditing reads any many dashes of Rorrower oping to the purchase price by graditing reads any many dashes of Rorrower oping to the purchase price by graditing reads any many dashes of Rorrower oping to the purchase price by graditing reads any many dashes of Rorrower oping to the purchase price by graditing reads any many dashes of Rorrower oping to the purchase price by graditing reads and the purcha and of any part of the property, the covernment and its agents may but and purchase as a stranger and may pay the Covernment's share of the purchase price by crediting such amount on any debts of Borrower owing to or insured by the Covernment in the order purchase above.

(19) Borrower agrees that the Government will not be bound by any present or future laws, (a) providing for valuation, (12) norrower agrees that the vovernment will not be bound by any present of intuite taws, (a) providing for valuation, appraisal, homestead or exemption of the property, (b) prohibiting maintenance of an action for a delicioncy judgment or honorous the amount thereat or the time within which such as the many transfer or the time within which such as the many transfer or the amount thereat or the time within which such as the many transfer or the such as the such Government, in the order prescribed above. appraisal, nomestead of exemption of the property, (b) promoting mannetiance of an action for a deficiency magnetic of finding the amount thereof of the time within which such action may be brought, (c) prescribing any other statute of finding the amount thereof or the time within which such action may be brought, (c) prescribing any other statute of finding the amount of the such action of mining the amount increase of the time within which and action may be brought, (c) prescribing any other statute of initiations, (d) allowing any tight of redemption of proposition following any fore-locate sale, or (e) limiting the conditions which the Government may be condition to the initiation of the minimal state of many electrons are a conditions. ministrons, (ii) allowing any right of redemption of possession following any forecostine sale, or (ellimiting the conditions which the Government may by regulation impose, including the interest rate if may charge, as a condition of approximate that the Government may by regulation impose, including the interest rate if may charge, as a condition of approximate transfer of the property to a new Romower Romower expressly winose the boundary of any curls State for Thomas are located as which the Government may by regulation impose, including the interest rate it may charge, as a condition of approxing a masker of the property to a new Rorrower Rorrower expressly waives the benefit of any such State law. Borrower hereby reduced has a property to a new Rorrower in house or property to a new Rorrower in house or property of the source and content. transfer of the property to a new norrower norrower expressly waives the benefit of any such strellinguishes, waives, and conveys all rights, incloate of consummate, of descent, dower, and curtest

(20) If any part of the loan for which this instrument is given shall be used to linance the purchase, construction or (20) If any part of the loan for which this instrument is given shall be used to finance the purchase, construction of repair of property to be used as an owner-occupied dwelling therein called "the dwelling") and it Borrower intends to sell or rept the dwelling and has obtained the Construment's constant to device to regular the dwelling and has obtained the Construment's constant to device to regular the dwelling and has obtained the Construment's constant to device to regular the dwelling and has obtained the Construment's constant to device the constant to the con repair of property to be used as an owner-occupied dwelling therein called "the dwelling" I and if Borrower intends to self-or rent the dwelling and has obtained the Government's consent to do to (a) neither Borrower nor anyone authorized to act for him will after require to a bone fide offer refuse to property for the color regist of the dealloon which the self-or refuse to property for the color regist of the dealloon which the self-or refuse to property to the color regist of the dealloon which the self-or refuse to property to the color register than the self-or register to the color register than the self-or refuse to property to the color register than the self-or refuse to property to the color register to the color register than the self-or refuse to the color register to the color register to the color register than the self-or refuse to the color register to or rent the awening and has obtained the vovernment's consent to no so (a) nepreer horrower nor anyone authority of to act for him will, after receipt of a bona fide offer, refuse to negotiate for the sale of restal of the dwelling or will otherwise make the sale of the dwelling of the sale of the dwelling of the sale of the sale of restal of the dwelling of the sale of the s for min win, after receipt of a dona flue offer, refuse to negociate for the sale of remain of the uneming of win office wise may allabe or deny the dwelling to anyone because of race, color, religion, see, or national origin, and (to Remove any office) and the dwelling to anyone because of race, color, religion, see, or national origin, and (to Remove any office) and the dwelling to anyone because of race, color, religion, see, or national origin, and (to Remove any office) and the dwelling to anyone because of race, color, religion, see, or national origin, and (to Remove any office) and the dwelling to anyone because of race, color, religion and the sale of race of the sale of t unavailable of deny the dwening to anyone obtains or rain, count rengion, see, or nanonal ought, and (b) fortiewer tecognizes as illegal and hereby disclaims, and will not comply with or altempt to enforce any restrictive covenants on the dwelling relating to race, color, religion, sex or national origin

ening retaining to face, color, rengion, sex or marking ranger.

(21) This instrument shall be subject to the present regulations of the Farmers Home Administration, and to its future regulations not inconsistent with the express provisions bereof

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- (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, shown in the Farmers Home Administration, oregon 97205, and in the case of Borrower to him at the address address shown 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 provision or application, and to that end the provisions hereof are declared to be severable.

WITNESS the hand(s) of Borrower this day ofMAY	, 19 .78			
DAN W. DUNCAN				
CONNIE J. DUNCAN	MINOUN			
ACKNOWLEDGMENT FOR OREGON				
ACKNO VLEDOMENT FOR OREGON				
STATE OF OREGON)				
COUNTY OF				
On this, 19 78 , pe	rsonally appeared the above-			
named DAN W. DUNCAN AND CONNIE J. DUNCAN				
and acknowledged the foregoing instrument to betheir voluntary act and deed Before me:				
(NOTORIAL SEAL)	NA.K. RICK. PUBLIC ORECON K			
My Commission expires				

DESCRIPTION

PARCEL 1

All that portion of the SE 1/4 SW 1/4 lying South of the Irrigation Ditch which runs through the said forty in Section 33, "mownship 40 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon; SAVING AND EXCEPTING the potato cellar in the Southeast corner of said described tract, being a tract of land 36 feet North and South by 152 feet East and West; and EveryTive a right of way 16 feet wide to the Northwest corner of said potato cellar and along the North side of said cellar to the North and South road along the East side of said cellar to the North and from other land as reserved by former owners; AND ALSO EXCEPTING East of the Willamette Meridian, as follows:

Beginning at a point on the East line of said SE 1/4 SW 1/4 of Section 33 and the center line of the irrigation ditch which runs through said SE 1/4 SW 1/4; thence South along said East line of said SE 1/4 SW 1/4 a distance of 193 feet; thence West a distance of SW 1/4 a distance of 239 feet to the East line of said SE 1/4 ditch; thence Easterly along said center line of said irrigation beginning.

PARCEL 2

That part of the E 1/2 D 1/2 of Section 32 and part of the W 1/2 SW 1/4 of Section 33, Township 40 South, Range 12 Dasi of the Willamette Meridian, in the County of Klamath, State of Orejon, jorge cribed as beginning at the Southwest corner of the E 1/2 SE 1/4 of Section 32, Township 40 South, Range 12 East of the Millamotte Meridian, and running thence North along the forty line a distance of 1300 feet, more or less, to a point where the center line of the East-West Canal of the Shasta View Irrigation District extended meets the forty line; thence East a distance of 65 feet, more or less, to a point on the West bank of sai! North-South canal of Shasta View Trrigation District; thence South along the West bank of said North-South Canal a distance of 10 feet to a point; thence Easterly following the South bank of said East-West Canal through the E 1/2 SE 1/4 of Section 32, and the W 1/2 SW 1/4 of Section 33, Both in said Township 40 South, Range 12 East of the Willamette Meridian, to the Easterly line of the W 1/2 SW 1/4 of Section 3:; thence South along the Easterly line of the W 1/2 SW 1/4 of Section 33 to the Township line; thence Westerly along the township line to the point of beginning, being in the 2 1/2 SE 1/4 of Section 32, and the W 1/2 SW 1/4 of Section 33, Township 40 South, Rango 12 East of the Willamette Meridian; SAVING AND EXCEPTING tract of land described as beginning at an iron pin on the South section line which lies West 781.5 feet from the Southeast corner of the SW 1/4

"A tidink3 "

Description - continued....

SW 1/4 of Section 33, Township 40 South, Range 12 East of the Willamette Meridian and running thence North a distance of 95 feet to an iron pin; thence North 56° 35' West a distance of 961 feet to an iron pin; thence South 33° 25' West a distance of 45 feet to an iron pin which lies on the East bank of the Shasta View Irrigation Canal; thence South 36° 25' East along the East bank of the above mentioned canal a distance of 200.00 feet to an iron pin; thence continuing along the East bank of the above mentioned canal South 30° 14' East a distance of 492.8 feet to an iron pin which lies on the Section line; thence East along the section line a distance of 460 feet, more or less, to the point of beginning, being in the SW 1/4 SW 1/4 of Section 33, and in the SE 1/4 SE 1/4 of Section 32, both sections in Township 40 South, Range 12 East of the Willamette Meridian, said exception being for the West Reservoir.

PARCEL 3

The NW 1/4 SE 1/4 of Section 33, Township 40 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

Transamerica Title Co.

The doy of May A. D. 19.78 at 11:02 lock A.M., and the recorded in Vol. M78, of Mortgages on Page 8557

We D. MILNE, County Clean

Fac \$18.00

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" A traines "