

7A38-15867

FLB 697A (8-77)

53891

## FEDERAL LAND BANK MORTGAGE

KNOW ALL MEN BY THESE PRESENTS. That on this 10th day  
of August, 1978.

V & W Ranch, a co-partnership consisting of A. M. Warmerdam  
and John Van Ruiten; A. M. Warmerdam and Frances A. Warmerdam,  
husband and wife; John Van Ruiten and Ann Van Ruiten, 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 two pages  
marked Exhibit "A" which is attached hereto and is by reference made a part hereof.

Vol. 49 Page 18863

FLB  
LOAN 175098-3

Recorded \_\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_\_\_\_  
Page \_\_\_\_\_

Auditor, Clerk, or Recorder

In Township 40 South, Range 8 East of the Willamette Meridian,  
in the County of Klamath, State of Oregon:

PARCEL 1

Section 2: Government Lots 4 and 10

PARCEL 2

Section 3: The S $\frac{1}{2}$ S $\frac{1}{2}$

PARCEL 3

Section 9: The NE $\frac{1}{4}$ ; E $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ ; The East 20 acres of Government  
Lot 12; The E $\frac{1}{2}$ SE $\frac{1}{4}$ ; Government Lots 1, 2, 3, 8, 9,  
10 and 11

**18664**PARCEL 4

Section 10: The N $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$ , Government Lots 3, 9, 10,  
11 and 12; ALSO that part of Section 10 Beginning at  
a point at which the present boundary fence intersects  
the meander line run on the Easterly border of tule  
marsh on right or West bank of the Klamath River  
approximately North 14° 5' East, 33.20 chains from the  
fractional section corner common to Sections 10 and 15  
on said meander line; thence along the boundary fence  
North 14° 30' East, 4.30 chains; thence North 29° East,  
7.00 chains; thence North 26° 15' East, 8.75 chains to  
said meander line; thence back along said meander line  
South 51° 30' West, 1.00 chain; thence South 26° 15'  
West, 8.00 chains; thence South 30° 15' West, 7.00  
chains; thence South 6° West, 4.00 chains, more or less  
to the point of beginning.  
EXCEPTING from Lots 8 and 9 above, the following:  
Beginning at the fractional section corner common to  
Sections 10 and 15, 27.60 chains East of the section  
corner common to Sections 9, 10, 15 and 16, same township  
and range; thence West 0.50 chain to the present boundary  
fence; thence following said fence North 52° 35' East,  
0.40 chain; thence North 14° 30' East along said fence,  
32.80 chains, more or less, to the meander line run on  
the East boundary of the tule marsh on the right or West  
bank of the Klamath River; thence following said meander  
line South 6° West, 14.00 chains; thence South 23° 15'  
East, 7.00 chains; thence South 3° 30' East, 9 chains;  
thence South 65° 45' West, 10.45 chains to the point of  
beginning.  
EXCEPTING from Lot 12 above, the following: Beginning  
at the fractional section corner between Sections 10 and  
11, 6.38 chains South of the section corner common to  
Sections 2, 3, 10 and 11, same township and range; thence  
along the meander line South 67° 15' West, 19.80 chains,  
more or less, to the present boundary fence; thence  
North 63° 30' East, 20.60 chains, more or less, to the  
section line between Sections 10 and 11; thence South  
1° 00' West along the section line, 1.55 chains to the  
point of beginning.

PARCEL 5

Section 11: Government Lot 6, EXCEPTING the following: Beginning  
at the fractional section corner between Sections 10  
and 11, 6.38 chains South of the section corner common  
to Sections 2, 3, 10 and 11, same township and range;  
thence North 55° 15' East along the meander line, 9.07  
chains to the present boundary fence; thence South 63°  
30' West, 8.60 chains along said fence to the section  
line; thence South 1° West, 1.55 chains to the point  
of beginning.

INITIALS *Am: New* : *Sec: ALR*

PARCEL 6

Section 15: Lot 2; All that part of Lot 1 lying South of a line drawn East and West from a point 6.69 chains South of fractional section corner common to Sections 15 and 16. Lot 19, EXCEPTING THEREFROM: Beginning at the fractional section corner common to Sections 10 and 15, 27.60 chains East of the corner common to Sections 9, 10, 15 and 16, same township and range; thence along the meander line South  $46^{\circ} 30'$  West, 20.60 chains; thence South  $61^{\circ} 15'$  West, 15.13 chains, more or less, to the boundary fence at the fractional section corner common to Sections 15 and 16; thence North  $1^{\circ}$  East, 0.25 chain to a fence corner; thence North  $32^{\circ} 35'$  East, along said boundary fence, 34.80 chains, more or less, to the North section line of Section 15; thence East 50 links to the point of beginning.

PARCEL 7

Section 16: Government Lots 7, 8, 9, 10, 15, 16, 17; SWANER

INITIALS: *Amr: HAW: J. R. ACR.*

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 \$ 550,000.00, with interest as provided for in said note, being payable in installments, the last of which being due and payable on the first day of January, 2014.

#### 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 money 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, together with interest and costs, shall be immediately repayable by the mortgagors without demand, shall be secured by this mortgage, and shall draw interest until paid at the default rates provided for in the note hereby secured.

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.

18557

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

A. M. Warmerdam  
A. M. Warmerdam  
Frances A. Warmerdam  
Frances A. Warmerdam  
John Van Ruiten  
John Van Ruiten  
Ann Van Ruiten  
Ann Van Ruiten

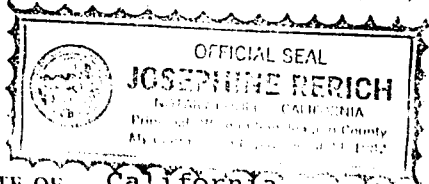
V & W RANCH

BY: A. M. Warmerdam  
A. M. Warmerdam, co-partner  
BY: John Van Ruiten  
John Van Ruiten, co-partner

STATE OF California  
County of San Joaquin } ss.  
A.M. Warmerdam and Frances A. Warmerdam

On August 17, 1978, 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.



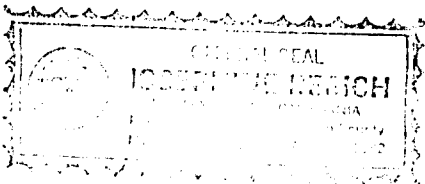
NOTARY PUBLIC

My Commission Expires 4/23/82

STATE OF California  
County of San Joaquin } ss.  
John Van Ruiten and Ann Van Ruiten

On August 17, 1978 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.



NOTARY PUBLIC

My Commission Expires 4/23/82

18668

STATE OF California )  
                          : ss. )           ss  
County of San Joaquin )

On this 17th day of August, 1978, before me, personally appeared A. M. Warmerdam and John Van Ruiten, known to me to be the co-partners in the co-partnership which executed the within instrument, and acknowledged that they executed the same as such co-partners and in the co-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.



Notary Public for the State of California  
residing at Lodi, California  
My commission expires 4/23/82

T A

STATE OF OREGON; COUNTY OF KLAMATH; ss.  
Filed for record at request of Transamerica Title Co.  
this 22nd day of AUGUST A. D. 1978 at 3:00 o'clock P.M. or  
duly recorded in Vol. 476, of Port Angeles on Page 18668  
Wm D. MILNE, County Clerk  
By Bernard A. Leland

Fee \$18.00