

REAL ESTATE MORTGAGE

Vol. M 80 Page 4009

Member No.

On this 19th day of March, 19 80

-----LAURENCE M. WILSON AND PATRICIA WILSON, husband and wife-----

hereinafter called the MORTGAGORS, hereby grant, bargain, sell, convey and mortgage to-----

KLAMATH

-----PRODUCTION CREDIT ASSOCIATION,

a corporation organized and existing under the Farm Credit Act of the Congress of the United States, as amended, with its

principal place of business in the City of Klamath Falls

State of Oregon, hereinafter called the MORTGAGEE, the following described real estate in the

County of Klamath, State of Oregon, to-wit:

(SEE ATTACHED EXHIBIT "A")

The following described real property situate in Klamath County,
Oregon:

EXHIBIT "A"

PARCEL 1

IN TOWNSHIP 41 SOUTH, RANGE 8 EAST OF THE WILLAMETTE MERIDIAN

IN SECTION 1: The W $\frac{1}{2}$

IN SECTION 2: All

IN SECTION 3:

All; EXCEPTING from Lot 1 that portion lying Westerly of the Central Pacific Railroad right of way, ALSO EXCEPTING Lot 4 heretofore conveyed to Klamath Drainage District by Deed Volume 233 page 550, records of Klamath County, Oregon.

IN SECTION 4:

The N $\frac{1}{2}$ NE $\frac{1}{4}$, the SE $\frac{1}{4}$ NE $\frac{1}{4}$, and Lot 1; That portion of the N $\frac{1}{2}$ of Section 4; Township 41 South, Range 8 E.W.M., included within the land of the Southern Pacific Company described in deed dated May 10, 1907, from F. H. Downing, et al to California Northeastern Railway Company, recorded June 7, 1907, in Deed Book 22 page 549 and in Deed dated December 19, 1907 from D. E. Gordon, et ux to California Northeastern Railway Company, recorded January 30, 1908, in Deed Book 23 page 497, as conveyed to Tulana Farms by Deed Volume M66 page 5794, records of Klamath County, Oregon.

IN SECTION 6: The NE $\frac{1}{4}$ SE $\frac{1}{4}$

IN SECTION 10: The NE $\frac{1}{4}$ NEL $\frac{1}{4}$

IN SECTION 11: All, EXCEPT the SW $\frac{1}{4}$ SW $\frac{1}{4}$

IN SECTION 12: The W $\frac{1}{2}$

IN SECTION 13: The N $\frac{1}{2}$ NW $\frac{1}{4}$ and Lots 3 and 4

IN SECTION 14:

The N $\frac{1}{2}$ NE $\frac{1}{4}$, the NE $\frac{1}{4}$ NW $\frac{1}{4}$, and Lots 1, 2, 3 & 4

ALSO Lots 8 thru 16 in Block 45 Townsite Worden

IN TOWNSHIP 40 SOUTH, RANGE 8 EAST OF THE WILLAMETTE MERIDIAN

IN SECTIONS 23 & 24:

All those portions of Sections 23 and 24 lying Easterly of Highway No. 97 and Southerly of the centerline of Klamath Straits as presently located and constructed. (See Exception)

IN SECTION 25: All EXCEPT the SE $\frac{1}{4}$ NW $\frac{1}{4}$

IN SECTION 26: All East of the Railroad. (See Exception)

IN SECTION 27:

That part of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ lying East of the Easterly right of way line of the Klamath Falls-Dorris State Highway.

IN SECTION 33:

W $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$; ALSO That portion of the SW $\frac{1}{4}$ of Section 33 Township 40 South, Range 8 East of the Willamette Base and Meridian, included within the land of the Southern Pacific Company described in Deed dated August 31, 1908, from H. F. Chapman, et al to California Northeastern Railway Company, recorded January 1, 1909, in Deed Book 25 page 399, and in Deed dated August 30, 1907 from H. F. Chapman, et al to California Northeastern Railway Company, recorded October 3, 1907, in Deed Book 23 page 205, as conveyed to Tulana Farms in Deed Volume M66 page 5795, records of Klamath County, Oregon.

IN SECTION 34:

Lot 5, LESS the West 400 feet thereof. ALSO Lots 6, 7, 8, 9, 10, 11, 12, 13 and 14.

IN SECTION 35: All

IN SECTION 36: All

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*J.W.
L.M.*

IN TOWNSHIP 40 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN

IN SECTION 19:

That portion of Section 19, lying Southerly and Westerly of the Klamath Straits as presently located and constructed.

IN SECTION 30:

The W $\frac{1}{2}$ and the W $\frac{1}{2}$ NE $\frac{1}{4}$ West of Klamath Straits.

IN SECTION 31: The W $\frac{1}{2}$ and the SE $\frac{1}{4}$

SAVING AND EXCEPTING THE FOLLOWING DESCRIBED PARCELS

A piece or parcel of land lying in a strip 100.0 feet in width immediately adjacent on the Southeasterly side of the original canal right of way of the Klamath Drainage District over and across the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 23, and the NE $\frac{1}{4}$ NW $\frac{1}{4}$ and the Fractional NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 26, Township 40 South Range 8 East of the Willamette Meridian, containing 5.98 acres, more or less, and more particularly described as follows: Beginning at the point in the line marking the Northerly boundary of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 23, Township 40 South, Range 8 East of the Willamette Meridian, where a line parallel with and 310.0 feet distant at right angles Southeasterly from the center line of the Southern Pacific Railroad as the same is now located and constructed intersects the same and from which point the Section corner common to Sections 22, 23, 26 and 27 Township 40 South, Range 8 East of the Willamette Meridian, bears South 54°37' West, 2308.1 feet distant and running thence South 16°57 $\frac{1}{2}$ ' West along a line parallel with and 310.0 feet distant at right angles Southeasterly from the said center line of the Southern Pacific Railroad and which said parallel line is the Southeasterly boundary of the right of way of the Klamath Drainage District's South Canal, 2593.5 feet, more or less, to a point in the Northerly boundary of the right of way of the said South Canal of the Klamath Drainage District, which is a line parallel with and 100.0 feet distant at right angles Northeasterly from the center line of the said canal as the same is now located and running, thence South 75°34 $\frac{1}{2}$ ' East along last mentioned boundary line 100.1 feet, more or less, to its intersection with a line which is parallel with and 410.0 feet distant at right angles Southeasterly from the said centerline of the Southern Pacific Railroad, and running thence North 16°57 $\frac{1}{2}$ ' East, along said last mentioned parallel line, 2620.0 feet, more or less, to its intersection with the Northerly boundary of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 23, Township 40 South, Range 8 East of the Willamette Meridian; thence South 89°48 $\frac{1}{2}$ ' West, along last mentioned boundary line, 104.7 feet, more or less, to the said point of beginning.

J. M. W.

A piece or parcel of land situated in the NW $\frac{1}{4}$ NW $\frac{1}{4}$; the S $\frac{1}{4}$ NW $\frac{1}{4}$; and the N $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26; and the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 27; all in Township 40 South, Range 8 East of the Willamette Meridian, containing 79.7 acres, more or less, situate in Klamath County, Oregon, and more particularly described as follows: Beginning at the point of intersection of the Easterly boundary of the right of way of the Dalles-California Highway, as same is now located and constructed, with the Southerly boundary of the right of way of the Ady Canal of the Klamath Drainage District as now located and constructed, from which the Section corner common to Sections 22, 23, 26 and 27 of the above Township and Range bears North 36°30 $\frac{1}{2}$ ' West 1630.7 feet distant, and running thence South 75°34 $\frac{1}{2}$ ' East along the said Southerly boundary of the right of way of the Ady Canal 652.3 feet; thence South 0°07' West 2479.2 feet, more or less, to a point in the Southerly boundary of the N $\frac{1}{4}$ SW $\frac{1}{4}$ of the said Section 26; thence leaving the boundary of the right of way of the said Ady Canal, South 89°50' West along the said Southerly boundaries of the N $\frac{1}{4}$ SW $\frac{1}{4}$ of the said Section 26, and the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of the said Section 27, 2147.0 feet, more or less, to an intersection with the said Easterly boundary of the right of way of the Dalles-California Highway; thence North 32°21 $\frac{1}{2}$ ' East, following said right of way line, 2097.0 feet; thence following a 1°38 $\frac{1}{2}$ ' circular curve to the left, 937.8 feet; thence North 16°57 $\frac{1}{2}$ ' East 23.5 feet, more or less, to the said point of beginning.

The following property conveyed to United States of America in Deed Volume M76 page 4718 records of Klamath County, Oregon: A strip or parcel of land in said Section 23, Township 40 South, Range 8 East of the Willamette Meridian, said County and State, containing an area of 3.8 acres, and described as follows: Beginning at said Point "D", said point being the most westerly point of the hereinabove described Parcel One; thence from said point of beginning North 89°02' West 142.2 feet; thence North 71°43' West 1226.7 feet to a point in the Easterly right of way boundary of the U. S. Highway No. 97, said point being South 69°53' East 2942.6 feet from the northwest corner of Section 23, thence along said right of way boundary North 18°17' East 150.0 feet; thence leaving said boundary South 72°06' East 900.1 feet; thence South 36°56' East 162.1 feet; thence South 68°03' East 330.0 feet to the point of beginning.

The following described parcels conveyed to Southern Pacific Company in Deed Volume M65, page 300, records of Klamath County, Oregon:

PARCEL 1: A piece or parcel of land situate in Government Lot 1 of Section 3, in Government Lot 1 and the E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 4, all in Township 41 South, Range 8 East of the Willamette Meridian, County of Klamath, State of Oregon, and described as follows: That portion of said Lot 1 of Section 3 and said Lot 1 and said E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 4 bounded easterly by the westerly line of Oregon State Highway U.S. 97, bounded southerly by the easterly prolongation of the southerly line of the 0.701 acre parcel of land described as Parcel 2 in Deed dated December 26, 1963, from Winston H. Patterson,

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et ux, to Southern Pacific Company recorded December 27, 1963, in Volume 350 of Deeds, page 146, Records of said County (said prolongation being the southerly line of Lot 1 of said Section 4 and bearing South 80°00' East), bounded northerly by the southwesterly line of the County Road leading from said Oregon State Highway U. S. 97 to Keno, Oregon, and bounded westerly by the following described line: Beginning at the point of intersection of the east line of the W½SE¼ of said Section 4 with the southerly line of Lot 2 of said Section 4, said point being the southeasterly corner of said 0.701 acre parcel of land described as Parcel 2 in said deed and is distant South 17°55'06" West 4267.65 feet from the Northeast corner of said Section 4; thence North along said east line, being also the west line of said Lot 1 of Section 4, a distance of 320.83 feet to a point; thence Northeasterly along a curve to the left having a radius of 5679.60 feet and central angle of 10°50'35" (tangent to said curve at last mentioned point bears North 31°47'35" East) an arc distance of 1074.85 feet; thence North 20°37' East 99.56 feet; thence North 20°27' East 2359.20 feet; thence North 22°08'15" East 75.75 feet to a point; thence Northeasterly along a curve to the right having a radius of 3869.75 feet and central angle of 6°40'19" (tangent to said curve at last mentioned point is last described course) an arc distance of 450.62 feet to a point in the north line of said Section 3, distant thereon North 89°29'30" East 245.33 feet from the northwest corner of said Section 3; thence continuing Northeasterly along the continuation of said curve to the right having a radius of 3869.75 feet, an arc distance of 111.65 feet to the northerly terminus of the line being herein described.

PARCEL 2: That portion of Government Lot 1 of Section 3, Township 41 South, Range 8 East of the Willamette Meridian, County of Klamath, State of Oregon, included within a strip of land 100.0 feet in width, lying contiguous to and easterly of the line particularly described in the above described Parcel 1.

EXCEPTING THEREFROM that portion thereof lying southerly of the northerly line of County Road leading from Oregon State Highway U. S. 97 to Keno, Oregon.

ALSO EXCEPTING THEREFROM that portion of the above described 100.00 foot wide strip of land lying northwesterly of the southeasterly line of land of the Southern Pacific Company.

PARCEL 2

TOWNSHIP 40 SOUTH, RANGE 8 EAST OF THE WILLAMETTE MERIDIAN

IN SECTION 25: SE¼NW¼

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together with all the tenements, hereditaments, rights, privileges, appurtenances, and fixtures, including all irrigating and watering apparatus, now or hereafter belonging to, located on, or used in connection with the above described premises, and together with all waters and water rights of every kind and description and however evidenced, and all ditches or other conduits and rights of way thereof, appurtenant to said premises or used in connection therewith; and together with all range and grazing rights (including rights under the Taylor Grazing Act and Federal Forest Grazing privileges), now or hereafter issued in connection with or appurtenant to the said real property; and the mortgagors covenant that they will comply with all rules, regulations and laws pertaining thereto and will in good faith endeavor to keep the same in good standing and will execute all waivers and other documents required to give effect to these covenants, and that they will not sell, transfer, assign or otherwise dispose of said rights or privileges without the prior written consent of the mortgagee.

SUBJECT TO Priors liens in approximate amount of \$4½ million dollars-----

This conveyance is intended as a mortgage to secure in whole or in part the performance of the covenants and agreements hereinafter contained and the payment of the following described promissory note(s) made by one or more of the Mortgagors (unless otherwise indicated) to the order of the Mortgagee, together with interest as hereinafter provided and together with all renewals or extensions thereof:

MATURITY DATE(S)	DATE OF NOTE(S)	AMOUNT OF NOTE(S)
January 5, 1981	March 19, 1980	\$750,000.00

Also this mortgage is intended to secure all future loans or advances made or contracted within a period of FIVE (5) YEARS from and after the date of recording of this mortgage, *provided, however*, that the maximum amount of all indebtedness to be secured by this mortgage shall not exceed in the aggregate at any time the sum of \$ 750,000.00 exclusive of accrued interest and of advances made in accordance with the covenants of this mortgage to protect collateral.

All present and future indebtedness secured by this mortgage shall bear interest at the rate specified in the note(s) evidencing such indebtedness, *provided, however*, that if such rate or rates are thereafter increased or decreased by Mortgagee, all of the indebtedness secured hereby shall bear such increased or decreased rate of interest from the effective date thereof.

The continuing validity and priority of this mortgage as security for future loans or advances shall not be impaired by the fact that at certain times hereafter there may exist no outstanding indebtedness from Mortgagor to Mortgagee or no commitment to make loans or advances.

MORTGAGORS COVENANT AND AGREE:

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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 encumbrances except as stated above; and each of the Mortgagors will warrant and defend the same forever against the lawful claims and demands of all persons whomsoever except as stated above, hereby relinquishing all dower and homestead rights in the premises; and these covenants shall not be extinguished by any foreclosure hereof, but shall run with the land;

To pay when due all debts and money secured hereby;

To keep the buildings and other improvements now or hereafter existing on said premises in good repair and not to remove or demolish or permit the removal or demolition of any thereof; not to commit or suffer waste of any kind upon said premises; not to use or permit the use of said premises for any unlawful or objectionable purpose; and to do all acts and things necessary to preserve all water rights now or hereafter appurtenant to or used in connection with said premises;

To pay when due all taxes and assessments upon said premises; and to suffer no other lien or encumbrance prior to the lien of this mortgage to exist at any time against said premises, except as stated above;

To keep all buildings insured against loss or damage by fire in manner and form and in such company or companies and in such amount as shall be satisfactory to the Mortgagee; to pay when due all premiums and charges on all such insurance; to deposit with the Mortgagee, upon request, all insurance policies affecting the mortgaged premises, all of which said insurance shall be made payable, in case of loss, to the Mortgagee, with a mortgagee clause satisfactory to the Mortgagee;

To keep in good standing and free from delinquencies all obligations under any mortgage or other lien which is prior to this mortgage.

Should the Mortgagors be or become in default in any of the covenants or agreements herein contained, then the Mortgagee may, at its option, perform the same in whole or in part, and all expenditures made by the Mortgagee in so doing shall bear interest at the rate borne by the principal debt hereby secured, 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, 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 of 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 the records and abstracting or insuring the title, and such sums and costs and expenses shall be secured hereby and be 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, except under circumstances where such taking is expressly prohibited by law, 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 and/or to manage the property during the pendency of legal proceedings. The rents, issues and profits of said premises after default shall accrue to Mortgagee's benefit and are hereby assigned and mortgaged to Mortgagee as additional security for the indebtedness herein described.

All rights and remedies conferred on Mortgagee by this mortgage are cumulative and additional to any and all other rights and remedies conferred by law, and are not exclusive. If any provision of this mortgage be found invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof; and the mortgage shall be construed as though the invalid or unenforceable provision had been omitted.

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 the day and year first above written.

Return - Klamath Prod. Co. Assn.
P.O. Box 148
K. Falls, Or.

x Laurence M. Wilson
x Patricia A. Wilson
STATE OF Oregon
County of Klamath
2nd May 80

STATE OF OREGON, (Leave this space blank for filing data)
County of Klamath)
Filed for record at request of

Klamath Production Credit Assn.
on this 5th day of May A.D. 19 80
at 1:17 o'clock P M, and duly
recorded in Vol. M80 of Mortgages
8210
By Wm D. Miller County Clerk
By Bernetha Hellock Deputy
Fee \$24.50

ACKNOWLEDGMENT
I, Laurence M. Wilson & Patricia A. Wilson
do hereby acknowledge that the foregoing is a true and correct copy of the original as the same appears to me.
Notary Public, State of Oregon
My Commission expires 10-18-82