

84684

7A-21458-2-D Vol. 80 Page 9442  
 WATER DEVELOPMENT LOAN PROGRAM

## NOTE AND MORTGAGE

THIS MORTGAGE, made this 19 day of May 1980, between Rajnus Brothers, a partnership consisting of George Rajnus and Donald Rajnus

as mortgagor, and the State of Oregon, represented and acting by the Director, the Department of Water Resources, pursuant to Chapter 246, Oregon Laws 1977, as mortgagee,

WITNESSETH, that the said mortgagor for and in consideration of the sum of Sixty-Five Thousand and 00/100

Dollars (\$65,000.00) to him paid by the said mortgagee, does hereby grant, bargain, sell and convey unto the said mortgagee, successors and assigns those certain premises situated in the County of Klamath, and the State of Oregon, and described as follows:

The SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 23; W $\frac{1}{2}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 24, Township 39 South, Range 11 East, W.M., in the County of Klamath, State of Oregon, TOGETHER WITH the way of necessity for ingress and egress described as follows:

A strip of land situated in the SE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 13 and the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 24, Township 39 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, said strip of land being 25 feet in width and being 12.50 feet each side of measured at right angles to the following described centerline:

Beginning at a 5/8 inch iron pin in the centerline of the County road known as Teare Lane, said point being North 87°26'39" West a distance of 379.61 feet from the brass capped monument marking the one-fourth corner common to said Section 13 and 24; thence South 82°32'40" West parallel to and 12.5 feet Northwesterly of an existing fence line a distance of 413.80 feet; thence North 88°09'00" West parallel to and 12.5 feet Northeasterly of said fence line a distance of 545 feet, more or less, to the West line of the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of said Section 24, EXCEPTING THEREFROM that portion which lies within the County road right of way. The sidelines of said strip of land shall be prolonged or shortened so as to terminate on the West line of the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of said Section 24 and to provide access to the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of said Section 24.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and which may hereafter thereto belong or appertain, and the rents, issues and profits therefrom and any and all fixtures upon said premises at the time of the execution of this mortgage or at any time during the term of this mortgage;

9443

TO HAVE AND TO HOLD the said premises with the appurtenances unto the said mortgagee, his successors and assigns forever,

THIS CONVEYANCE is intended as a mortgage to secure the payment of the sum of Sixty-Five Thousand and 00/100

Dollars (\$65,000.00) in accordance with the terms of that certain promissory note, as follows:

# PROMISSORY NOTE

I promise to pay to the STATE OF OREGON Sixty-Five Thousand and 00/100 Dollars (\$65,000.00), with interest from May 1 1980, at the rate of six and 774/1000 percent (6.774%) per annum, principal and interest to be paid in lawful money of the United States at the office of the Executive Director of the State of Oregon, Salem, Oregon, as follows:

\$ 7,246.00 on or before the 1st day of March, 1981, and \$ 7,246.00 on each March 1st thereafter, and continuing until the full amount of the principal and interest shall be fully paid, such payments to be applied first as interest on the unpaid balance, the remainder on the principal.

The due date of the last payment shall be on or before the 1st day of March, 1995.

In the event of transfer of ownership of the premises or any part thereof, I will continue to be liable for payment and the balance shall draw interest from the date of such transfer.

This note is secured by a mortgage, the terms of which are made a part hereof.

Dated at Klamath Falls, Oregon, on the 19 day of May, 1980.

Rajnus Brothers, a partnership consisting of George Rajnus and Donald Rajnus,

George Rajnus  
George Rajnus

Donald Rajnus  
Donald Rajnus

9444

The date of maturity of the debt secured by this mortgage is the date on which the last scheduled principal payment becomes due, to-wit: March 1, 1995.

This indenture is further conditioned upon the faithful observance by the mortgagor of the following covenants hereby expressly entered into by the mortgagor, to-wit:

That mortgagor is lawfully seized of said premises, and now has a valid and unincumbered fee simple title thereto, (see Attachment A) and that he will warrant and defend the same against the claims and demands of all persons whomsoever;

That he will pay the said promissory note and all installments of interest thereon promptly as the same become due, according to the tenor of said note;

That so long as this mortgage shall remain in force he will pay all taxes, assessments, and other charges of every nature which may be levied or assessed upon or against the said premises when due and payable, according to law, and before the same become delinquent, and will also pay all taxes which may be levied or assessed on this mortgage or the debt thereby secured, and will promptly pay and satisfy any mechanics' liens or other incumbrances that might by operation of law or otherwise become a lien upon the mortgaged premises superior to the lien of this mortgage;

That he will keep all the improvements erected on said premises in good order and repair and will not commit or suffer any waste of the premises hereby mortgaged.

That so long as this mortgage shall remain in force he will keep the buildings now erected, or any which may hereafter be erected on said premises insured against loss or damage by fire, with extended coverage, to the extent of the original principal sum of the note secured by this obligation in some company or companies acceptable to said mortgagee and for the benefit of both parties hereto as their interests may appear, and will deliver evidence of such policies and renewals thereof to said mortgagee.

NOW, THEREFORE, if the said mortgagor shall pay said promissory note and shall fully satisfy and comply with the covenants hereinbefore set forth, then this conveyance shall be void, but otherwise to remain in full force and virtue as a mortgage to secure the payment of said promissory note in accordance with the terms thereof and the performance of the covenants and agreements herein contained; it being agreed that any failure to make any of the payments provided for in said note or this mortgage when the same shall become

due or payable, or to perform any agreement herein contained, 9445  
shall give to the mortgagee the option to declare the whole  
amount due on said note, or unpaid thereon or on this mortgage,  
at once due and payable and this mortgage by reason thereof  
may be foreclosed at any time thereafter. And if the said  
mortgagor shall fail to pay any taxes or other charges or any  
lien or insurance premium as herein provided to be done, the  
mortgagee shall have the option to pay the same and any  
payment so made shall be added to and become a part of the  
debt secured by this mortgage, and draw interest at a rate  
equal to the rate stated in the original note secured by this  
mortgage, without waiver, however, of any right arising from  
breach of any of the covenants herein.

In case of complaint is filed in a suit brought to  
foreclose this mortgage, the court shall, upon motion of the  
holder of the mortgage, without respect to the condition of  
the property herein described, appoint a receiver to collect  
the rents and profits arising out of said premises, and apply  
such rents and profits to the payment and satisfaction of the  
amount due under this mortgage, first deducting all proper  
charges and expenses of the receivership.

In the event of any suit or action instituted to  
foreclose this mortgage, the losing party agrees to pay such  
sum as the trial court may adjudge reasonable as attorney's  
fees to be allowed the prevailing party in such suit or  
action and in the event of any appeal, the losing party  
agrees to pay such sum as the appellate court shall adjudge  
reasonable as the prevailing party's attorney's fees on such  
appeal; in any event the mortgagor agrees to pay all reasonable  
costs incurred by the mortgagee for title reports and title  
search, all statutory costs and disbursements, all such sums  
to be secured by the lien of this mortgage and included in  
the decree of foreclosure.

In construing this mortgage, it is understood that  
the mortgagor or mortgagee may be more than one person; that  
if the context so requires, the singular shall be taken to  
mean and include the plural, the masculine pronoun shall mean  
the feminine and the neuter, and that generally all grammatical  
changes shall be made, assumed and implied to make the provisions  
hereof apply equally to corporations and to individuals.

9446

IN WITNESS WHEREOF, the mortgagor has executed this instrument this 19 day of May, 1980; if a corporate mortgagor, it has caused its name to be signed and seal affixed by its officers, duly authorized thereto by order of its board of directors.

Rajnus Brothers, a partnership  
consisting of George Rajnus  
and Donald Rajnus

By

George Rajnus  
George Rajnus

Donald Rajnus  
Donald Rajnus

(If executed by a corporation,  
affix corporate seal)

STATE OF OREGON           )  
                                  ) ss:  
County of Klamath        )

Dated this 19 day of May, 1980.

Personally appeared the above named  
George Rajnus and Donald Rajnus  
and acknowledged the foregoing instrument to be their  
voluntary act and deed.

Before me:

(SEAL)

Donna K. Mateson  
DONNA K. MATESON  
NOTARY PUBLIC-OREGON  
My Commission Expires 1/24/84  
Notary Public for Oregon  
My Commission Expires:

STATE OF OREGON )

County of )

ss:

9447

Dated this \_\_\_\_ day of \_\_\_\_\_, 19\_\_.

Personally appeared \_\_\_\_\_, who, being duly sworn, each for himself  
AND \_\_\_\_\_, did say that the former is the \_\_\_\_\_ secretary of  
and not one for the other, did say that the latter is the \_\_\_\_\_  
president and that the latter is the \_\_\_\_\_ a corporation, and that the seal  
affixed to the foregoing instrument is the corporate seal of  
said corporation and that said instrument was signed and sealed  
in behalf of said corporation by authority of its board of directors;  
and each of them acknowledged said instrument to be its voluntary  
act and deed.

Before me:

(SEAL)

Notary Public for Oregon  
My Commission Expires: \_\_\_\_\_

RECORDING INFORMATION

STATE OF OREGON, County of Klamath ) ss:

I certify that the within instrument was received  
for record on the 22nd day of May, 1980, at  
3:58 o'clock P.M., and recorded in book M80 on  
page 9442 or as file/reel number 84684, Record  
of Mortgages of said County.

Witness my hand and seal of County affixed.

Wm. D. Milne  
Recording Officer

By Bernetha J. Petch (Deputy)

Fee 21.00

MORTGAGE

Rajnus Brothers, a partnership  
consisting of George Rajnus  
and Donald Rajnus

TO

State of Oregon, acting by  
Director, Water Resources  
Department

AFTER RECORDING RETURN TO:

Director, Water Resources  
Department  
WATER DEVELOPMENT LOAN FUND  
555 13th Street NE  
Salem, OR 97310