

REAL ESTATE MORTGAGE FOR OREGON

THIS MORTGAGE is made and entered into by

**RICHARD R. RODGERS AND CHARLOTTE D. RODGERS, AS HUSBAND AND WIFE**

residing in **KLAMATH**

address is: **RT 5 BOX 1146-X, KLAMATH FALLS, OREGON**

County, Oregon, whose post office  
Oregon **97601**

herein called "Borrower" and:

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 Borrower; and is described as follows:

Date of Instrument

**March 6, 1981**

Principal Amount

**\$200,000.00**

Annual Rate  
of Interest

**12.25%**

Due Date of Final  
Installment

**March 6, 2021**

(If the interest rate is less than **12.25%** for farm ownership or operating loan(s) secured by this instrument, then the rate may be changed as provided in the note.)

And the note evidences a loan to Borrower, and the Government, at any time, may assign the note and insure the payment thereof pursuant to the Consolidated Farm and Rural Development Act, or Title V of the Housing Act of 1949, or any other statutes administered by the Farmers Home Administration:

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 secure payment of the note; but when the note is held by an insured holder, 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;

And this instrument also secures the recapture of any interest credit or subsidy which may be granted to the Borrower by the Government pursuant to 42 U.S.C. §1490a:

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 payment of the note and any renewals and extensions thereof and any agreements 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 same 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 hereinafter 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 Government the following property situated in the State of Oregon, County (ies) of **KLAMATH**

SEE ATTACHED EXHIBIT "A" FOR LEGAL DESCRIPTION

4098

SEE ATTACHED EXHIBIT FOR FURTHER INFORMATION

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, the Farmers Home Administration, of the District of Columbia, for and in behalf of the Government of the United States of America, do hereby certify that the within and foregoing instrument, 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 Borrower's self, Borrower's 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 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 Borrower 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 Borrower's 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 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.

(8) To keep the property insured as required by and under insurance policies approved by the Government and, at its request, to deliver such policies to 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, 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 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 (a) extend or defer the maturity of, and renew and reschedule the payments on, the debt evidenced by the note or any indebtedness to the Government secured by this instrument, (b) release any party who is liable under the note or for the debt from liability to the Government, (c) release portions of the property and subordinate its lien, and (d) waive any other of its rights under this instrument. Any and all this can and will be done without affecting the lien or the priority of this instrument or Borrower's or any other party's liability to the Government for payment of the note or debt secured by this instrument unless the Government says otherwise in writing. HOWEVER, any forbearance by the Government—whether once or often—in exercising any right or remedy under this instrument, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

(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 to be purchased in a cooperative lending agency in connection with such loan.

(16) Default hereunder shall constitute default under any other real estate or crop or chattel security instrument held or insured by the Government and executed or assumed by Borrower, and default under any such other security instrument shall constitute default hereunder.

(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 insolvent, or make an assignment for the benefit of creditors, the Government, at its option, with or without notice, may: (a) declare the entire amount unpaid under the note and any indebtedness to the Government hereby secured immediately due and payable, (b) for the account of Borrower incur and pay reasonable expenses for repair or maintenance of and take 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 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 rights and remedies provided herein or by present or future law.

(18) The proceeds of foreclosure sale shall be applied in the following order to the payment of: (a) costs and expenses 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 debt evidenced by the note and all indebtedness to the Government secured hereby, (d) inferior liens of record required by law or a competent court to be so paid, (e) at the Government's option, any other indebtedness 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 Government and its agents may bid and purchase as a stranger and may pay the Government's share of the purchase price by crediting such amount on any debts of Borrower owing to or insured by the Government, in the order prescribed above.

(19) Borrower agrees that the Government will not be bound by any present or future laws, (a) providing for valuation, appraisal, homestead or exemption of the property, (b) prohibiting maintenance of an action for a deficiency judgment or limiting the amount thereof or the time within which such action may be brought, (c) prescribing any other statute or limitations, (d) allowing any right of redemption or possession following any foreclosure sale, or (e) limiting the conditions which the Government may by regulation impose, including the interest rate it may charge, as a condition of approving a transfer of the property to a new Borrower. Borrower expressly waives the benefit of any such State law. Borrower hereby relinquishes, waives, and conveys all rights, inchoate or consummate, of descent, dower, and curtesy.

(20) If any part of the loan for which this instrument is given shall be used to finance the purchase, construction or repair of property to be used as an owner-occupied dwelling (herein called "the dwelling") and if Borrower intends to sell or rent the dwelling and has obtained the Government's consent to do so (a) neither Borrower nor anyone authorized to act for Borrower will, after receipt of a bona fide offer, refuse to negotiate for the sale or rental of the dwelling or will otherwise make unavailable or deny the dwelling to anyone because of race, color, religion, sex, or national origin, and (b) Borrower recognizes as illegal and hereby disclaims, and will not comply with or attempt to enforce any restrictive covenants on the dwelling relating to race, color, religion, sex or national origin.

NOTARIAL PUBLIC IN THE STATE OF OREGON

(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 hereof.

(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, at Portland, Oregon 97205, and in the case of Borrower at the address shown in the Farmers Home Administration Finance Office records (which normally will be the same as the post office 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.

(14) The undersigned hereby certifies that the foregoing instrument was signed by the person or persons named therein, and that the same is a true and correct copy of the original instrument as the same appears from the records of the County of Klamath, Oregon.

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(16) The undersigned hereby certifies that the foregoing instrument was signed by the person or persons named therein, and that the same is a true and correct copy of the original instrument as the same appears from the records of the County of Klamath, Oregon.

(17) WITNESS the hand(s) of Borrower, this 6th day of March, 19 81.

(18) WITNESS the hand(s) of the undersigned, this 6th day of March, 19 81.

(19) WITNESS the hand(s) of the undersigned, this 6th day of March, 19 81.

(20) WITNESS the hand(s) of the undersigned, this 6th day of March, 19 81.

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(30) WITNESS the hand(s) of the undersigned, this 6th day of March, 19 81.

(31) WITNESS the hand(s) of the undersigned, this 6th day of March, 19 81.

(32) WITNESS the hand(s) of the undersigned, this 6th day of March, 19 81.

(33) WITNESS the hand(s) of the undersigned, this 6th day of March, 19 81.

(34) WITNESS the hand(s) of the undersigned, this 6th day of March, 19 81.

(35) WITNESS the hand(s) of the undersigned, this 6th day of March, 19 81.

(36) WITNESS the hand(s) of the undersigned, this 6th day of March, 19 81.

Richard R. Rodgers  
RICHARD R. RODGERS

Charlotte D. Rodgers  
CHARLOTTE D. RODGERS

# ACKNOWLEDGMENT FOR OREGON

STATE OF OREGON

COUNTY OF Klamath

On this 6th day of March, 19 81, personally appeared the above-

named RICHARD R. RODGERS AND CHARLOTTE D. RODGERS

and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:

Mary Ann O'Leary  
Notary Public.

(NOTARIAL SEAL)

My Commission expires 11-16-84

## EXHIBIT "A"

DESCRIPTION

Parcel 1: Lots 6, 7 and 8 of Section 30, Township 37 South, Range 9 East of the Willamette Meridian.

Parcel 2: All that portion of Lot 2 of Section 31, Township 37 South, Range 9 East of the Willamette Meridian, between the Westerly boundary of the County Road, at one time the Dalles-California Highway, as the same is now located and constructed, and the meander line which marks the Westerly boundary of said Lot 2, SAVING AND EXCEPTING THEREFROM that certain tract as conveyed to Richard J. Conroy by deed dated April 26, 1937, recorded in Volume 109 at page 19, Deed Records of Klamath County, Oregon.

Parcel 3: All that portion of Lot 4 of Section 31, Township 37 South, Range 9 East of the Willamette Meridian, between the Northerly boundary of the County Road, at one time the Dalles-California Highway, as the same is now located and constructed, and the meander line which marks the Northerly boundary of the said Lot 4.

Parcel 4: All that portion of Lot 5 of Section 31, Township 37 South, Range 9 East of the Willamette Meridian, between the Northwestern boundary of the County Road, at one time the Dalles-California Highway, as the same is now located and constructed, and the meander line which marks the Northwestern boundary of the said Lot 5, SAVING AND EXCEPTING THEREFROM that certain tract conveyed to J.J. Wissenback by deed dated December 28, 1935, recorded in Book 107 at page 443, Deed Records of Klamath County, Oregon.

Parcel 5: All of Lots 7 and 8 of Section 31, Township 37 South, Range 9 East of the Willamette Meridian, SAVING AND EXCEPTING THEREFROM that certain tract as conveyed to Emanuel Nedvidek by deed dated October \_\_, 1928, recorded in Volume 81 at page 278, Deed Records of Klamath County, Oregon.

Parcel 6: Lot 12, Section 31, Township 37 South, Range 9 East of the Willamette Meridian.

Parcel 7: Lots 9, 10, 11 and 13 of Section 31, Township 37 South, Range 9 East of the Willamette Meridian.

Parcel 8: All of those portions of Lots 6 and 8 of Section 25 and Lots 1, 2 and 3 of Section 36, Township 37 South, Range 8 East of the Willamette Meridian, which lies Easterly from the Easterly boundary of the right of way of the Oregon Eastern Railway (Southern Pacific Railway.)

All of those portions of Lots 1 and 5 of Section 25, Township 37 South, Range 8 East of the Willamette Meridian, which lies easterly from the Easterly boundary of the right of way of Oregon Eastern

Railway (Southern Pacific Railway) SAVING AND EXCEPTING THEREFROM that certain tract heretofore conveyed to Leonard Hamilton by deed dated March 16, 1940, recorded in Volume 128 at page 279, Deed Records of Klamath County, Oregon, AND ALSO EXCEPTING THEREFROM those certain parcels deeded to the State of Oregon, by and through its State Highway Commission by Robert E. Graham, et al, dated April 11, 1940, recorded April 29, 1940, and T.B. Watters, et ux, dated August 2, 1941, recorded August 15, 1941, in Volume 129 at page 21 and Volume 140 at page 349, respectively, Deed Records of Klamath County, Oregon.

Parcel 9: All that portion of Lot 8 of Section 31, Township 37 South, Range 9 East of the Willamette Meridian, more particularly described as follows: Beginning at a point in the Section line between Sections 30 and 31 of said Township and Range, which marks the northerly boundary of said Lot 8, and from which the meander corner between the said Sections bears North 88° 03' East 115.6 feet distant, and running thence South 88° 03' West along the said Section line 680.2 feet, more or less, to the northwesterly corner of the said Lot 8; thence South 1° 16' West along the westerly boundary of the said Lot 8, 795.7 feet; thence North 88° 03' East and parallel with the northerly boundary of the said Lot 8, 978.6 feet; thence North 19° 39½' West 834 feet, more or less, to the said point of beginning.

EXCEPTING THEREFROM:

A parcel of land situated in Lots 1 and 5 of Section 25, Township 37 South, Range 8 East of the Willamette Meridian and being more fully described as follows:

Beginning at the meander corner on the easterly boundary of the said Section 25, Township 37 South, Range 8 East of W. M. from which the Northeasterly corner of the said Section 25 bears North 1° 17' East, 1507.4 feet distant, and running thence

South 0° 33' West along the said Easterly boundary of the said Section 25, 460.6 feet; thence

West 466.6 feet, more or less to the point in the Easterly boundary of the right of way of the relocated Dalles-California Highway, as the same is now established and staked on the ground; thence

Northerly along the said right of way boundary 1515 feet, more or less to its intersection with the Westerly boundary of the right of way of the original Dalles-California Highway as the same is now located and constructed; thence

Southeasterly along the last mentioned right of way boundary 1185 feet more or less to its intersection with the said Easterly boundary of the said Section 25; thence

South 1° 17' West 5 feet more or less to the said POINT OF BEGINNING

SAVING AND EXCEPTING that portion thereof conveyed to State of Oregon, by and through its State Highway Commission by deed recorded January 28, 1942, Volume 144 at page 481, Records of Klamath County;

ALSO reserving and excepting from said property a parcel of land 25 feet in width, being 12½ feet on each side of the following described center line:

Beginning at a point in the line marking the Easterly boundary of said Section 25, from which the above mentioned meander corner bears North  $0^{\circ} 33'$  East 176.4 feet distant and running thence; North  $27^{\circ} 39'$  West 597.7 feet; thence North  $26^{\circ} 20'$  West 222.8 feet; thence West 125.4 feet, more or less, to a point in the above mentioned Easterly boundary of the right of way of the relocated Dalles-California Highway as the same is now established and staked upon the ground.

Parcel 10: A portion of Lot 2, Section 31, Township 37 South, Range 9 East of the Willamette Meridian, more particularly described as follows:

Beginning at the center of an iron pipe driven in the ground in the line marking the Westerly boundary of the Dalles-California Highway as the same is now constructed, from which Angle Point No. 7 in the meander line of Section 31, Township 37 South, Range 9 East of the Willamette Meridian, as established by Fred Mensch, U.S. Cadastral Engineer, in November 1916, bears North  $16^{\circ} 37'$  East 932.3 feet distant; and running thence North  $81^{\circ} 27'$  West 235.5 feet, thence South  $30^{\circ} 12'$  West 201 feet; thence South  $72^{\circ} 08'$  East 269.2 feet more or less to a point in the Westerly line of the Highway which is South  $19^{\circ} 08'$  West 237 feet from the point of beginning; thence North  $19^{\circ} 08'$  East along the Westerly line of the Highway, 237 feet to the place of beginning.

Parcel 11: A piece or parcel of land situated in Lots 1 and 5, Section 25, Township 37 South, Range 8 East of the Willamette Meridian, being more particularly described as follows:

All those portions of Lots 1 and 5, Section 25, Township 37 South, Range 8 East of the Willamette Meridian lying Northerly and Easterly from the centerline of Klamath County Road No. 698 (Original Dalles-California Highway) as the same is presently located and constructed.

*When recorded return to:*

*Donna / T A*

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of \_\_\_\_\_  
this 6th day of March A.D. 19 81 at 3:46 o'clock P.M., and  
duly recorded in Vol. 181 of Mortgages on Page 4097.

By EV. LYN BIEHN, County Clerk  
*Bernetha H. Letoch*

Fee \$24.50