

39190

REAL ESTATE MORTGAGE Vol. 12595 Page 12595

Member No.

On this 3rd day of July, 1984

WILLIAM J., JR. AND GERALDINE J. RAJNUS, 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 SCHEDULE "A" ATTACHED)

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 Prior lien of Federal Land Bank Association of Spokane in the

approximate amount of \$669,882.00

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)

July 5, 1985

July 3, 1984

1,345,255.00

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 \$ 1,500,000.00 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:

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.

William J. Rajnus, Jr. William J. Rajnus, Jr.
Geraldine J. Rajnus Geraldine J. Rajnus

ACKNOWLEDGEMENT

STATE OF Oregon

County of Washington

On this 16 day of July, 1984
Before me, the undersigned officer, personally appeared

the above named William J. Rajnus, Jr. and
Geraldine J. Rajnus

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

IN WITNESS WHEREOF, I hereunto set my hand and
official seal.

Michael L. Bell

SEAL

Notary Public, State of Oregon

My Commission expires 1-14-86

PARCEL 1:

ATTACHED SCHEDULE "A"

12597

Lots 6, and 7, the E $\frac{1}{2}$ SW $\frac{1}{4}$ and the W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 6, Township 40 South, Range 12 East of the Willamette Meridian.

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 of Section 1 of Township 40 South, Range 11 East of the Willamette Meridian, LESS 7.61 acres, conveyed to Klamath County, Oregon, by deed dated February 20, 1939, recorded March 18, 1939, in Deed Volume 121 page 110, records of Klamath County, Oregon.

LESS AND EXCEPTING THE FOLLOWING: That portion of Lots 1 and 8 lying Easterly of the Bonanza-Malin Highway and that portion of Lot 9 lying Northerly of the following described line: Beginning at a fence corner on the North line of said Lot 9 which is West a distance of 339.55 feet from the Southeast corner of Lot 5, Section 6, Township 40 S.R. 12, E.W.M.; thence S. 77°50'15" W. a distance of 217.85 feet; thence N. 71°15'05" W. a distance of 150.0 feet, more or less, to a point on the North line of said Lot 9.

Lots 15 and 16 in Section 1, Township 40 South, Range 11 East of the Willamette Meridian, lying Easterly of Bonanza to Malin Highway, LESS AND EXCEPTING the following described parcel: A piece or parcel of land containing 1.73 acres, more or less, and being a portion of Lots 15 and 16, Section 1, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, and more particularly described as follows: Beginning at a point in the Easterly boundary line of the right of way of Bonanza to Malin Highway, as the same is now located and constructed, said right of way line being 40.0 feet distant at right angles Southeasterly from the center line of said highway from which point the Northeast corner of said Section 1, bears N. 18°14' E. 4594.8 feet distant, and running thence S. 88°05' E. 330.76 feet; thence S. 2°33' W. 219.42 feet; thence N. 86°47' W. 373.47 feet, more or less, to a point in said right of way line, thence N. 13°58' E. along said right of way line 215.59 feet, more or less, to the point of beginning.

PARCEL 2:

All the following described property lying West of the County Road:

Township 40 South, Range 11 East of the Willamette Meridian:

Lots 17, 18, 19 and 20 and the E $\frac{1}{2}$ SW $\frac{1}{4}$ and the SE $\frac{1}{4}$ of Section 1 Township 40 South, Range 11 E.W.M., SAVING AND EXCEPTING therefrom the right of way of the Bonanza-Malin County Road. The NW $\frac{1}{4}$ of Section 12, Township 40 South, Range 11 E.W.M., SAVING AND EXCEPTING therefrom the right of way of the Bonanza-Malin County Road. Also, Beginning at the Northeast corner of Section 12 Township 40 South, Range 11 E.W.M.; running thence South along the East section line 87 rods; thence West 160 rods; thence North 87 rods to the North line of said Section 12; thence East along the North section line 160 rods to the place of beginning, SAVING AND EXCEPTING therefrom the right of way of the Bonanza-Malin County Road.

Section 12: All that portion of the SE $\frac{1}{4}$ lying East of the Poe Valley Road; ALSO that portion of the S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 12, Township 40 South, Range 11 E.W.M., described as follows: Beginning at a point on the East line of said Section 12 which is 87 rods South of the Northeast corner of said Section 12; thence running South along the East line of said Section, 73 rods to the Southeast corner of the NE $\frac{1}{4}$ of said Section; thence West along the South line of said NE $\frac{1}{4}$ of said Section to the Southwest corner of said NE $\frac{1}{4}$ of said Section; thence North along the West line of the NE $\frac{1}{4}$ of said Section a distance of 73 rods; thence East 160 rods, more or less, to the point of beginning, being the South 73 rods of the NE $\frac{1}{4}$ of said Section; RESERVING therefrom 1 acre in the Southeast corner of said land heretofore deeded to School District No. 2 ALSO EXCEPTING right of way conveyed to Klamath County for roadway as described in deed recorded on page 489 of Volume 121 of Deed records of Klamath County, Oregon. SAVING AND EXCEPTING S $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 12.

Also, all equipment, machinery, appliances, and tools which are a part of the Potato Storage plant, together with all additions, replacements, or accessions, now or hereafter acquired and placed, located, installed in, or used on, the above described property as a part of the plant, are hereby declared to be real property fixtures and shall be a part of the real estate above described, including but not limited to, the following:

Refrigeration unit, Model No. 402CD50, two Toshiba 10 HP motors with two GE 1-HP motors for operation of Humidifiers, fans and refrigeration of potato warehouse.

INITIALS WJR. SJA.

Together with a 30 H.P. GE electric motor, with a Johnson turbine pump, and a 25 H.P. Century electric motor, with a Berkley centrifugal pump, and a 40 H.P. Century electric motor, with a Berkley centrifugal pump, and a 50 H.P. Century electric motor, with a Berkley centrifugal pump all of which are located on the herein mortgaged security. Also, a 100 H.P. US electric motor, with a Layne & Bowler turbine pump, and a 30 H.P. GE electric motor, with a Cornell centrifugal pump, which are located in the $N\frac{1}{2}SE\frac{1}{4}NE\frac{1}{4}$ of Section 12, Township 40 South, Range 11 East of the Willamette Meridian; and a 60 H.P. US electric motor, with a Johnson turbine pump which are located in the $SW\frac{1}{4}NE\frac{1}{4}NE\frac{1}{4}$ of Section 18, Township 40 South, Range 12 East of the Willamette Meridian; or any replacements thereof, all of which are hereby declared to be appurtenant thereto.

Also, hereby granting and mortgaging to mortgagee two 15 foot easements across lands owned by mortgagor for ingress and egress between lands herein mortgaged and a well for the purposes of maintenance and use of pipeline, well and related facilities situated as follows:

- Easement 1: Right of way for an existing irrigation pipeline running from lands herein mortgaged over the $NE\frac{1}{4}$ of Section 12, Township 40 South, Range 11 East of the Willamette Meridian, to an irrigation well located in the $N\frac{1}{2}SE\frac{1}{4}NE\frac{1}{4}$ of Section 12, said Township and Range.
- Easement 2: Right of way for an existing irrigation pipeline running from lands herein mortgaged over the $NE\frac{1}{4}$ of Section 12, Township 40 South, Range 11 East of the Willamette Meridian and the $N\frac{1}{2}$ of Section 18, Township 40 South, Range 12 East of the Willamette Meridian, to an irrigation well located in the $SW\frac{1}{4}NE\frac{1}{4}NE\frac{1}{4}$ of Section 18, Township 40 South, Range 12 East of the Willamette Meridian.

which easements are to be appurtenant to the lands herein mortgaged.✓

WJR
S.R.

PARCEL 1:

Township 40 South, Range 11 East of the Willamette Meridian:
 Lots 17, 18, 19 and 20 and the E $\frac{1}{2}$ SW $\frac{1}{4}$ and the SE $\frac{1}{4}$ of Section 1, saving and excepting therefrom the right of way of the Bonanza-Malin County Road.
 The NW $\frac{1}{4}$ of Section 12, saving and excepting therefrom the right of way of the Bonanza-Malin County Road.
 Also, beginning at the Northeast corner of Section 12; running thence South along the East section line 87 rods; thence West 160 rods; thence North 87 rods to the North line of said Section 12; thence East along the North section line 160 rods to the place of beginning, Saving and Excepting therefrom the right of way of the Bonanza-Malin County Road.

PARCEL 2:

Township 40 South, Range 11 East of the Willamette Meridian:
 Section 12: All that portion of the SE $\frac{1}{4}$ lying East of the Poe Valley Road; also that portion of the S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 12, described as follows: Beginning at a point on the East line of said Section 12 which is 87 rods South of the Northeast corner of said Section 12; thence running South along the East line of said Section, 73 rods to the Southeast corner of the NE $\frac{1}{4}$ of said Section; thence West along the South line of said NE $\frac{1}{4}$ of said Section to the Southwest corner of said NE $\frac{1}{4}$ of said Section; thence North along the West line of the NE $\frac{1}{4}$ of said Section a distance of 73 rods; thence East 160 rods, more or less, to the point of beginning, being the South 73 rods of the NE $\frac{1}{4}$ of said Section; Reserving therefrom 1 acre in the Southeast corner of said land heretofore deeded to School District No. 2, Also Excepting right of way conveyed to Klamath County for roadway as described in deed recorded on page 489 of Volume 121 of Deed records of Klamath County, Oregon.
 Saving and excepting S $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 12.

Section 13: All that portion of the NE $\frac{1}{4}$ and the N $\frac{1}{2}$ SE $\frac{1}{4}$ lying East of the Poe Valley Road.

Township 40 South, Range 12 East of the Willamette Meridian:
 Section 8: SW $\frac{1}{4}$ SW $\frac{1}{4}$.

Section 17: W $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$.

Section 18: All.

PARCEL 3:

Township 40 South, Range 11 East of the Willamette Meridian:
 That portion of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ lying East of the Poe Valley Road in Section 13.

PARCEL 4:

Township 40 South, Range 12 East of the Willamette Meridian:
 Section 15: SW $\frac{1}{4}$ SW $\frac{1}{4}$.

Section 16: All, except for the NW $\frac{1}{4}$ NE $\frac{1}{4}$.

Section 17: S $\frac{1}{2}$ S $\frac{1}{2}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ NE $\frac{1}{4}$.

Section 21: N $\frac{1}{2}$ NE $\frac{1}{4}$ and SE $\frac{1}{4}$ NE $\frac{1}{4}$.

Section 22: N $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$.

Together with a 100 H.P. U.S. electric motor, with a Layne & Bowler turbine pump, and a 30 H.P. G.E. electric motor, with a Cornell centrifugal pump, and a 60 H.P. U.S. electric motor with a Johnston turbine pump, and a 50 H.P. G.E. electric motor, with a Cornell centrifugal pump, and a 75 H.P. G.E. electric motor, with a Layne-Bowler turbine pump, and a 50 H.P. G.E. electric motor, with a Goules centrifugal pump, and a 50 H.P. G.E. electric motor, with an unknown make centrifugal pump, and a 40 H.P. G.E. electric motor, with a Cornell centrifugal pump, and 4200 feet of steel mainline, sizes 6 through 10 inch, and any replacements thereof, all of which are hereby declared to be appurtenant thereto. ✓

VP 1-18-80

WJR
B.R.

15223

Return:

12600

KLAMATH PRODUCTION CREDIT ASSOCIATION

900 KLAMATH AVENUE P.O. BOX 148

KLAMATH FALLS, OREGON 97601

STATE OF OREGON: COUNTY OF KLAMATH:ss

I hereby certify that the within instrument was received and filed for record on the 25 day of July A.D., 1984 at 2:44 o'clock P M, and duly recorded in Vol M84, of Mortgages on page 12595.

EVELYN BIEHN, COUNTY CLERK

Fee: \$24.00

by: Pam Smith, Deputy

Unofficial Copy