buyeau or agency thereof, which have been or will be stugned or wayed to moreagee. now held of morgagers or hereoffet issued, evienced or renewed to them of the United States of the State of the dependence including al least permits licenses of privilegie, writen or otherwist conditional or accordence are to say that see

which now are the restanties of the second fill the second fill of the second of every kind and description and fluwever evidenced, and fill ditches or dense conduits. Then done and description was the metal. descritted premises, all of which are moreby detisted to be opputtenent to taid land, and there are the round again again cleasung, watering and impaunt appquatus and other fixinges now or hemainer ordenging to be able to the operation belonging to or used in connection, with the socke described premisest and all plumbing like day. As must consider an addition Together with the internetic, bareditaments, fights, privileges and apputientances, include a private cases must or becaute

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egaingt the lawful claims and demands of all parsons whomscevet, and flue covergational contractions of the coverage the hereol, but shall nin with the land. same, and that suc premuses per free from encumbrance and each of the montpatton will warme the forces are jourier That tray are lewitilly sensed of said premites in fee sumple, have good ngat and its his in our of the convey on montgaugite

To pay all debue and money accured hereby when due.

of sud press for the state of t Section 23: Lots 1, 27, 3; 47, 5; and 6; NWENWE; EXCEPT that portion of HolEotske2wand 5% Lying within the North 30 acres of said Lots 2 and 5; AND Wes FURTHER EXCEPTING that portion of Lots 33 and 44 lying within the SELNE' suitenties in progress, and any improvements or remodeling for which the four netery see άθιξη της σατειτιστέρη ότι επό μιξιμήσες οι την βαθάμε, επιστήτε οι απριστετική το περιτικό του το τουτοριο το σατεπό To keep the buildings and other improvencents now of neterities existing on such permises of fuel of the market worked

for the Adams Canal; FURTHER EXCEPTING all that portion of the SELSW's lying Easterly of the United States Reclamation Service right of way; AND FURTHER EXCEPTING THE FOLLOWING PARCEL: Beginning at the Northwest corner of said Government Lot 1, said point being in the centerline of the County Road; thence Easterly along the North line of said Vernment Lot 1 and along the centerline of the County Road a distance of 179 feet; thence Southerly parallel with the West line of said Governmer lot 1 a distance of 390 feet; thence Westerly parallel with the North line of said Government Lot 1 a distance of 179 feet to the West line of said Government Lot 1; thence Northerly along the West line of said Government Lot 1; thence of 390 feet, more or less, to the point

Township 41 South, Range 12 East of the Willamette Meridian anortaise they as anythe to reache the process Section 14: Lots 1 and 2 and the SE%SW%; EXCEPTING right of way

See All the following described real property situate in Klamath County, Oregon serve alle sond this near the particulation caren and such some regarding particulation of a sonio locatio

Time is material and of the essence newor; and in case of breach of any of dis above referenced promissory moresof even date. morrgagors without demond, together with interest actuing thereon, we provide for in the (whether slecting is decise the whole indepredness hereby iscurst que and payable of notimey, a more remore the same In whole of in part and all expenditures indepred by the montages in so doing sharl he forcade soft payable by liotopys pi Brould the margine of fe feeding in asiant in any or are constructs of Freeinens second and the second the second second the second s

hereinafter called the Mortgagors, hereby grant, bargain, sell convey and mortgage to THE FEDERAL LAND, BANK OF SACRAMENTO; a corporation in Sacramento, California, hereinafter called the Mortgages, the following described real estate in the County of bar Sr-Klamathies more abernea in inState of bhicOregon shot except of it which is store a store to an and a store of the and a store of the stor

W. C. DALTON, and JULIANNE, M. DALTON, his wife; F is the and her we have been a set of the set of en a strange auf an inderstand an inderstand in erstand in erstand an inder strange and a strange and a strange Ander me fronte and a strange framework in prosent and restand in erstand and was the strange and strange and st Ander me strange and an inderstand in the strange of the strange of the strange of the strange of the strange of

W.15CouDALTON: and JULIANNE M: DALTON, Trustees of q 350 Ct Louis the WILLIAM (C. & DALTON 21982 TRUST dated June 30, 1982; word maker sug Scouth associate to the same the JULIANNE, M. DALTON and W. TC. DALTON; Trustees of the consists and product the second JULIANNE M. DALTON 1982 TRUST dated June 30, 1982; and

Jime 19 82 of a receiver to collect the rears, tistues and profits of the mongaged premises. The re

FEDERAL LAND BANK MORTGAGE KNOW, ALL, MEN, BY, THESE PRESENTS, That on this 19th dav. 🔅

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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.

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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 mortgage, of even lnitraldate herewith, for the principal sum of S_107.500.00 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 <u>May. 2011</u>; (See additional security recitals set forth on Page 3 of this mortgage.) 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 demolishment 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 shall be immediately payable by mortgagors without demand, together with interest accruing thereon, as provided for in the above referenced promissory notes of even date.

Time is material and of the essence hereof; and in case of breach of any of the covenants or agreements hereof, or if defaultbe 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 mortgage 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 morgage 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. E.E.D.E.B.71 1700 B.71 MORTED CE

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11006 The promissory notes evidencing the indebtedness secured by this mortgage contain The Promissory notes evidencing the indeptedness secured by this mortgage contra provisions whereby the rates of interest on the unmatured principal portion of the provisions whereby the rates of interest on the unmatured principal portion of the indebtedness and on items in default are subject to change whenever the new loan interest rate of the Morraage is either increased or decreased. rate of the Mortgage is either increased or decreased. Any default in the payment of the installments due on the indebtedness owing to the Any derault in the payment of the installments due on the indepteaness owing to the Federal Land Bank of Sacramento by the mortgagors named herein, evidenced by that certain promissory note of even date. in the original principal sum of \$321.000.00. or any breach rederal Land Bank of Sacramento by the mortgagors named herein, evidenced by that certain promissory note of even date, in the original principal sum of \$321,000.00, or any breach of the forms Covenants or conditions of the deed of trust securing said indebtedness. promissory note of even date, in the original principal sum of \$321,000.00, or any Dread of the terms, covarants or conditions of the deed of trust securing said indebtedness, recorded in Moder County, California, concurrently herewith, shall, at the option of the of the terms, covangues or conditions of the deed of trust securing said indebtedness, recorded in Modoc County, California, concurrently herewith, shall, at the option of the Mortgagee, be an event of default under this mortgage and entitle Mortgagee to declare a default thereunder. The covenants and agreements herein contained shall extend to and be binding upon the a everytors administrators successors and assigns of the respective parties hereto. Ine covenants and agreements herein contained shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto. ADDITIONAL SECURITY RECITALS: This mortgage further secures the indebtedness evidenced by that certain promissory This mortgage further secures the indebtedness evidenced by that certain promissory note of even date, for the principal sum of \$321,000.00, with interest as provided for in said note. executed by the mortgagors named herein, which said note is further secured by note of even date, for the principal sum of \$321,000.00, with interest as provided for in said note, executed by the wortgagors named herein, which said note is further secured tor in deed of trust recorded concurrently herewith in Modoc County California. Said note said note, executed by the wortgagors named herein, which said note is run deed of trust recorded concurrently herewith in Modoc County, California. deed of trust recorded concurrently derewith in modoc county, California. Data note evidences a portion of the indebtedness owing to the Federal Land Bank of Sacramento, "denutfied a loss No. 241082.1 on the bank of Sacramento, identified as Loan No. 241983-1 on the bank's records. All payments not made when due shall bear interest thereafter at the default interest rate indicated in each said promissory note. IN WITNESS WHEREOF, The mortgagors have hereunto set their hands the day and year first above written. W. C. Dalton, Dulianne M. Dalton, P William C. Dalton 1982 Trust dated allo -22 Trustees of the C. Dalton June 30, 1982 3:07 Julianne M. Dalton, and Lare On Julianne M. Dalton Dalton Dalton 1982 Trust dated June 30, 1982 Trustees of the Julianne M. STATE OF California County of MODOC SS. W.C. Datron and Julianne M. Dalton On July 11, 1985 to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged that (he) (she) -. before me personally appeared (they) executed the same as (his) (her) (their) free act and deed. NOTARY PUBLIC-CALIFORNIA Principal office in Li0DOC County Ly Commission Expires Apr. 18, 1989 CANE NOTARY PUBLIC STATE OF California My Commission Expires 4-18-1989 County of MDDOC W.C. Dalton and Julianner Dalton, Trenstees On July 11, 1985 to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged that (he) (she) (they) -. before me personally appeared VERNEI VERN E. DRANE VERN E. DRAINE NOTARY PUBLIC-CALIFORNIA Principal Office in MODOC County My Commission Expires Apr. 18, 1989 RAME NOTARY PUBLIC My Commission Expires 4-18-1985

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oni ci enive seenbaidebol adi no sub sinerilaieni ad disine tini d baoneSIATE OF OREGON; COUNTY OF KLAMATH; ss. dasad della o 200.000, ISC2 to sus isglaning isnipito and the second state for second state for second state of the second state of th seld to colored shi in flate utilizeral viterra. D. 19 85 at 2:000 clock P.M., and a subscient of assessment this 11.2+6 day of ______uuly A.D. 19 85 at 2:000 clock P.M., and ed the second

duly recorded in Vol. <u>M85</u>, of <u>Mortgages</u> on Page 1003

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Arcealsong misirso ands of beaseblys enonbeadobat and seconds restrict decades with note of even date, for the printing aux of \$321,000.00, with interest as provided for in said hole, executed by the morrassore dated herein, which asid note is further secured by a deed of trues recorded concernently herewith in Modes Chuncy, California. Said note deed of trues recorded concernently herewith in Modes Chuncy, California. Said note evidences a percise of the indenteduced swing to the Vederal Land Bank of Sacramento,

Jassant Jlus and the rolling the rest interest thereast thereast on the default interest . efor graanbarg bise dood of Sectoriant efst

mentine evode serfe mey bar geb mit ebned tigdt ise ernusien sien mager ban add. HORBHER 2221 aug Return to: 5 Warner Mountain Title G. C. Dalton P.O. Box 1888 ್ರಿಪ್ರಾ ್ಮಂರಾ ಸ್ಪಂಗ 1. 1. 19 Alturas, Ca. 96101-Restanting a United States Section. <u>(14)</u> Sades. 2 1 E F F Viulianne M. Dalton has point it as it it R MARTINE W. S. TO MENTURY LINE TO THE 1889 . of omit bails lung 1881, noting Dinsicilio TO BTATE On July 11, 1985 before me personally appealed DODOM IS VERDED W.C. Datron and Juliana, M. Dalton. to me crown to be personal devences of and who executed the foregoing instrument, and acknowledged (that The) (the (they) metalates the same of (bir that) (ber all and define 377AS(13653) ferre and the second second second second second second NOTARY PUBLIC My Commission Expirity 82 (). July 11 1985 belore me personally ispessed La Human de State in the Course of the exec-W.C. Dalton. and Julianie Dalton, Trenstees 14 ig me menning in bei inder and in and who executed the interants induced and address that ited in the men there are not the read of the last the set are not the 134531 SVASV DIJAUN YAATGA No Commission Express 4-18-1585 AND THE PARTY AN "AINE STATI أتسير ((Joya)) Všet "Bi Ť