

53729

Form PCA 405  
Spokane (Rev. 12-74)

Member No.

## REAL ESTATE MORTGAGE

Vol. 185 Page 15568

On this 4TH day of September, 1985

-----CHARLES G. DUNCAN AND LEONE M. DUNCAN, 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")

85 SEP 25 AM 11 25

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 Any mortgage, Deed of Trust, Contract of Sale, lien or judgment, of record as of the date of recordation of this mortgage.

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: TO SECURE THE LOAN OF RICK C. & CHARLES G. DUNCAN, Teresa A. & Leone

MATURITY DATE(S)

DATE OF NOTE(S)

AMOUNT OF NOTE(S)

Duncan

May 5, 1986

September 4, 1985

\$62,080.00

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 \$ 65,000.00 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:**

15569

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.

*[Signature]*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

x *[Signature]*  
\_\_\_\_\_  
x *[Signature]*  
\_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF Oregon  
County of Klamath

**ACKNOWLEDGMENT**

On this 24th day of September, 1985,  
I, the undersigned, Notary Public, personally appeared  
the party named Charles G. Duncan &  
Leone M. Duncan  
known to me

as free voluntary act  
and my hand and

*[Signature]*  
\_\_\_\_\_  
Notary Public, State of Oregon

My Commission expires 10-18-86

(Leave this space blank for filing data)

29380

## EXHIBIT "A" DESCRIPTION

15570

## PARCEL 1

All that portion of the  $SE\frac{1}{2}SW\frac{1}{2}$  lying South of the Irrigation ditch which runs through the said forty in Section 33, Township 40 South, Range 12 East of the Willamette Meridian; SAVING AND EXCEPTING the potato cellar in the Southeast corner of said described tract, being a tract of land 36 feet North and South by 152 feet East and West; and EXCEPTING a right of way 16 feet wide to the Northwest corner of said potato cellar and along the North side of said cellar to the North and South road along the East side of said cellar for ingress and egress from other land as reserved by former owners; AND ALSO EXCEPTING part of the  $SE\frac{1}{2}SW\frac{1}{2}$  of Section 33, Township 40 South, Range 12 East of the Willamette Meridian, as follows: Beginning at a point on the East line of said  $SE\frac{1}{2}SW\frac{1}{2}$  of Section 33 and the center line of the irrigation ditch which runs through said  $SE\frac{1}{2}SW\frac{1}{2}$ ; thence South along said East line of said  $SE\frac{1}{2}SW\frac{1}{2}$  a distance of 193 feet; thence West a distance of 250 feet; thence North and parallel with the East line of said  $SE\frac{1}{2}SW\frac{1}{2}$  a distance of 239 feet to the center line of said irrigation ditch; thence Easterly along said center line to the point of beginning.

## PARCEL 2

That part of the  $E\frac{1}{2}E\frac{1}{2}$  of Section 32 and part of the  $W\frac{1}{2}SW\frac{1}{2}$  of Section 33, Township 40 South, Range 12 East of the Willamette Meridian, described as beginning at the Southwest corner of the  $E\frac{1}{2}SE\frac{1}{2}$  of Section 32, Township 40 South, Range 12 East of the Willamette Meridian, and running thence North along the forty line a distance of 1300 feet, more or less, to a point where the center line of the East-West Canal of the Shasta View Irrigation District extended meets the forty line; thence East a distance of 65 feet, more or less, to a point on the West bank of said North-South canal of Shasta View Irrigation District; thence South along the West bank of said North-South Canal a distance of 10 feet to a point; thence easterly following the South bank of said East-West Canal through the  $E\frac{1}{2}SE\frac{1}{2}$  of Section 32, and the  $W\frac{1}{2}SW\frac{1}{2}$  of Section 33, both in said Township 40 South, Range 12 East of the Willamette Meridian, to the Easterly line or the  $W\frac{1}{2}SW\frac{1}{2}$  of Section 33; thence South along the Easterly line of the  $W\frac{1}{2}SW\frac{1}{2}$  of Section 33 to the Township line; thence Westerly along the township line to the point of beginning, being in the  $E\frac{1}{2}SE\frac{1}{2}$  of Section 32 and the  $W\frac{1}{2}SW\frac{1}{2}$  of Section 33, Township 40 South, Range 12 East of the Willamette Meridian: SAVING AND EXCEPTING tract of land described as beginning at an iron pin on the South section line which lies West 781.5 feet from the Southeast corner of the  $SW\frac{1}{2}SW\frac{1}{2}$  of Section 33, Township 40 South, Range 12 East of the Willamette Meridian and running thence North a distance of 95 feet to an iron pin; thence North  $56^{\circ}35'$  West a

(continued)

C. H. D.  
L. M. D.

PARCEL 2 (continued)

15571

distance of 961 feet to an iron pin; thence South 33°25' West a distance of 45 feet to an iron pin which lies on the East bank of the Shasta View Irrigation Canal; thence South 36°25' East along the East bank of the above mentioned canal a distance of 200.00 feet to an iron pin; thence continuing along the East bank of the above mentioned canal South 30°14' East a distance of 492.8 feet to an iron pin which lies on the Section line; thence East along the section line a distance of 460 feet, more or less, to the point of beginning, being in the SW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 33, and in the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 32, both Sections in Township 40 South, Range 12 East of the Willamette Meridian, said excepting being for the West Reservoir.

PARCEL 3

The NW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 33, Township 40 south, Range 12 East of the Willamette Meridian

PARCEL 4

A parcel of land situated in Section 3, Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8 inch iron pin at the intersection of the County Roads marking the East one-fourth corner of Section 10, Township 41 South, Range 11 East of the Willamette Meridian; thence North 00°02'50" East 2643.30 feet to the intersection of the County Road from the South and East marking the South-East corner of said Section 3; thence North 07°40'53" West 871.59 feet to a point on the Westerly right of way line of the U.S.B.R. D-13 Lateral marking the True Point of Beginning of this description; thence North 02°52'10" East along the Westerly right of way line of said lateral 290.40 feet; thence North 87°07'50" West perpendicular to said right of way line 150.00 feet; thence South 02°52'10" West parallel to the said right of way line 290.40 feet; thence South 87°07'50" East 150.00 feet to the True Point of Beginning, more or less, with the bearings based on the recorded survey made for the Klamath County Schools December 8, 1967.

PARCEL 5

The following described property situate in Township 40 South, Range 11 East of the willamette Meridian, Klamath County, Oregon:

(continued)

*Handwritten signature: C. L. D. L. M. D.*

PARCEL 5 (continued)

15572

Section 33: The E $\frac{1}{2}$  of the SE $\frac{1}{2}$ , lying NE of Pope-Flesher-Duncan Ditch, EXCEPTING THEREFROM that portion thereof lying within Pope Road

Section 34: The NW $\frac{1}{4}$  of the SW $\frac{1}{2}$ ; the S $\frac{1}{2}$  of the SW $\frac{1}{2}$

PARCEL 6

The following described property situate in Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon:

Section 3: The NW $\frac{1}{2}$  lying East of Pope-Flesher-Duncan Ditch; the NE $\frac{1}{2}$  of the SW the NW $\frac{1}{2}$  of the SW $\frac{1}{2}$ , EXCEPTING THEREFROM: Commencing at the corner of Sections 3, 4, 9 and 10, Township 41 South, Range 11 East of the Willamette Meridian; thence 1320 feet due North to the point of beginning; thence 330 feet due East to a point; thence 1320 feet due North to a point; thence 330 feet due West to a point; thence 1320 feet due South to the point of beginning in the NW $\frac{1}{2}$ SW $\frac{1}{2}$  of Section 3, Township 41 South, Range 11 East of the Willamette Meridian. EXCEPTING THEREFROM that portion thereof lying within Pope Road

RT: Klamath Production Credit Assoc  
Bot 148  
KFO

*CLG*  
*lmd*

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of \_\_\_\_\_ the 25th day  
of September A.D., 19 85 at 11:25 o'clock A M., and duly recorded in Vol. M85  
of Mortgages on Page 15568

FEE 21.00

Evelyn Biehn  
By \_\_\_\_\_

County Clerk  
*Pat Smith*