USDA.FmHA Form FmHA 427 LOR (Revision 186) and 185 by hydronia. The discount of the the the transfer of th THIS MORTGAGE is made and entered into by WILLIAM L. GALLAGHER and NADINE F. GALLAGHER, husband and wife address is Whiskey Creek Ranch, Box 898, Spracue River herein called Borrower, and the United States of America, acting through the Farmers Home Administration, United County, Oregon, whose post office WHEREAS Borrower is indebted to the Covernment, and construction and the covernment as evidenced by one or more promissory note(s) or assumption agreement(s), herein called note, which has been executed by Bottower, is payable to the order of the Government, auagreement(s), nerein cauch more, which has been executed by norrower, is payable to the order of the Government upon any default by Borrower, and is The Transport of Sundances \$131,000,000 of Interest Due Date of Final November 15 1977 \$171,850,000 Com Com Installment ... 5.25% * June 51/1985 D 10 HOT DES \$100,000,00 (reamortized) 5.00% July 3, 2025 (If the interest rate is less than \$10.7% for farm ownership or operating loan(s) secured by this instrument, then the 7.25% ** 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 near theroformation the Consolidated Farm and Rural. Development Act, or Title V of the Housing Act of 1949 or 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 -And it is the purpose and intent of this instrument that, among other things, at all times when the note is held by the serment or in the event the Covernment should assign this instrument without insurance of the note, this instrument And it is the purpose and intent of this instrument that, among other things, at all times when the note is held by the shall secure naument of the note but when the note is held by an incured holder this instrument without insurance of the note, this instrument that the note is held by an incured holder this instrument challenge secure naument 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 morteage shall secure payment of the note, but when the note is held by an insured holder, this instrument shall not secure payment to secure payment against loss linder its insurance contract by reason of any default by Porrower. And this instrument also secures the recapture of any interest credit or subsidy which may be granted to the Borrower of S1490a 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 event the Government should assign this instrument without insurance of the payment of the note, to secure prompt 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 the sound and any renewale and extensions thereof and any agreements contained therein. (b) at all times when the 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 Rorrower's agreement herein to indemnify and save harmless payment or the note and any renewals and extensions thereof and any agreements contained therein, (b) at all times when the covernment against loss under its insurance contract by reason of any default by Rormwer and (c) in any event and at note is held by an insured holder, to secure performance of Borrower's agreement herein to indemnify and save harmless the Government against loss under its insurance contract by reason of any default by Borrower, and (c) in any event and at advances and expenditures made by the Government with interest, as hereinall times to secure the prompt payment of all advances and expenditures made by the Government, with interest, as hereing after described and the performance of every covenant and agreement of Romower contained herein or in any complementary all times to secure the prompt payment of all advances and expenditures made by the Government, with interest, as hereinagreement. Borrower does hereby grant hargain sell convey mortgage, and assign with general warranty unto the Governafter 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(les) of Klamath PARCEL 1: The East half of Southeast quarter and East half of West half of Southeast quarter, Section 19. Township 36 South, Range 12 East of the Willamette Meridian; The Southwest quarter; North half of the Southeast quarter; Southwest quarter of The Southwest quarter; North half of the Southeast quarter; Southwest quarter; and that portion of Southeast quarter; Southwest of Klamath Falls-Iskeview Highway, all in Section 20, Township 30 South, description continued gaves This mortgage is also given to further secure the obligations secured by hereinbefore described mortgage to the Government, which mortgage shall remain in full force and

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The Northwest quarter of Northwest quartex; and that portion of the North half of Northeast quarter, East half of Northwest quarter and Southwest quarter of Northwest quarter lying Northwest of Klamath Falls-Lakeview Highway, all in Section 29, Township 36 South, Range 12 East of the Willamette Meridian; The East half of Northeast quarter and Northwest quarter of Northeast quarter, Section 30, Township 36 South, Range 12 East of the Willamette Meridian; The Northwest quarter Southwest quarter of Section 21, Township 36 South, Range 12 East of the Willamette Meridian; Lots 1 and 2 and the East half of the Northwest quarter and the Southwest quarter of the Northeast quarter of Section 30, Township 36 South, Range 12 Fast of the willamette Mexidian; succeed at the Etats of Charles of antilities) of That part of the Northwest quarter of the Southwest quarter of Section 29, Township rnat part of the Morthwest quarter of the Willemette Meridian, Tying Northwesterly of the The North half of the Southeast quarter of Section 30, Township 36 South, Range 12 Klamath, Falls-lakeview, Highway's agramas and asburgants by A tract of land located in the Southwest corner of the Northeast quarter Southwest quarter of Section 21. Township 36 South, Range 12 East of the Willamette Meridian, and more particularly described as follows: East of the Willamette Meridian; Beginning at the Southwest corner of said Northeast quarter Southwest quarter; thence East along the South line thereof 36 rods: thence North and parallel to the West line thereof 82 rods; thence West parallel to the South line thereof 36 rods west line thereof of rous; thence south along the West line thereof 8 rods to the to the West line thereof; thence south along the West line thereof in the rents, issues, and together with all rights, interests, easements, introduced and appurtenances thereunto belonging, the rents, issues, and rogether with an rights, increases, cascinents, necestaments and appartenances 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: harmless the Government against any loss under its insurance of payment of the note by reason of any default by Borrower.

(1) To pay promptly when due any indebtedness to the Covernment hereby secured and to indemnify and save

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 (3) If required by the Government, to make additional monthly payments of 1/12 of the estimated annual taxes,

Whether or not the note is insured by the Government, the Government may at any time pay any other amounts assessments, insurance premiums and other charges upon the mortgaged premises. 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.

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. 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.

To use the loan evidenced by the note solely for purposes authorized by the Government.

(6) To use the loan evidenced by the note solely for purposes authorized by the loan evidenced by the note solely for purposes authorized by the loan evidenced by the note solely for purposes authorized by the loan evidenced by the note solely for purposes authorized by the loan evidenced by the note solely for purposes authorized by the loan evidenced by the note solely for purposes authorized by the loan evidenced by the note solely for purposes authorized by the loan evidenced by the note solely for purposes authorized by the loan evidenced by the note solely for purposes authorized by the loan evidenced by the note solely for purposes authorized by the loan evidenced by the note solely for purposes authorized by the loan evidenced by the note solely for assessed by the loan evidence by the lo 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. an : जार कार कार है हैं।

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(8) To keep the property insured as required by and under insurance policies approved by the Government and, at its to deliver such policies to the Government. request, to deliver such policies to the Government.

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

(12) Neither the property nor any portion thereof or interest therein shall be leased, 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

(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

(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

(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

(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 of 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, or 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 hona 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.

(21) This instrument shall be subject to the present regulations of the Farmers Home Administration, and to regulations in amount of the farmers of the Farmers Home Administration, and to regulations in the farmers Home Administration and the regulations of the Farmers Home Administration and the regulations are regulations of the Farmers Home Administration and the regulations of the Farmers Home Administration and the regulations of the Farmers Home Administration and the regulation and t (23) If any provision of this instrument or application hereof to any person or circumstances is held invald, such invalidity will not affect other provisions or applications of the instrument which can be given effect without the invalid provision of application, and to that end the provisions hereof are declared to be severable. which the Covariment is any regulation indicates including the interest rate is more about a more of approving a which the Covariment is now because in the contract become interest and a contract of a contract because in the contract of a contract of a contract because in the contract of a contr or limiting the amount thereof or the time within which such action may be broadled to be in the interest increased in the establishment and interest into the establishment and interest into the contract of monovine a which the Covariment is any by residition indicates including the interest rate is now a first and of monovine a tagn; appaints!, homestrad, or exemption of the property, (b) prohibiting maintenance of an action of braining the mission of exemption within which such earlier may be brained the mission of exemption the formula. - " (14) Barrower agrelis that the Government will not Berkound by any present or Mills to All her accommendation of the manner share of the purchase price by crediting such amount on any debts of Burrawer or magic the opter prescribed shows part of the property, the Covernment and its agents may hid and purchase as a satisfact that the property, the Covernment and its agents may hid and purchase action by condition ench, any const on any debug of faurities. Borrower owing to or usused by the Government, and (f) any balance to Borrower. At the consister part of the property, the Government and its appare only his and engels at a constant part of the property. he so paid, (c) the debt evidenced by the note and all indeptubless to the Covernment of record required by law or a competent court to be so paid, (c) at the Covernment of record required by law or a competent out to be so paid, (c) at the Covernment and (Crany induced in Bernault). (13) The proceeds of foreclosure sale shall be applied in the following order to allow in the provisions bereof, (b) any prior lives remaining to enferture or complying with the provisions bereof, (b) any prior lives remaining to enferture or complying with the provisions between the complete or complying with the provisions and the complete or the characters of the characters or the characters or the characters or the characters or the characters. of receivers in like cases, (the foreclesse this instrument as provided better or by toward and and a support of the cases of the case of possession of, operate or rent the property, (c) upon application has a receiver appointed for a property with the need powers evidence and without notice of hearing of said application, have a receiver appointed for a property with the need powers of receivers in the cases, (d) foreshive this instrument as provided herein or by law. due and payable, (b) for the account of Borrower man, and pay reas mable expense the action as a metabolic mode in the property. (c) most arounding is a find modern and action of anothers within a thirt possession of operate or rent the property. (c) most arounding is a find modern and action of a metabolic modern and action of the property of the property. this instrument, or should any one of the partial named as Bornwer are or he destrict as more intent, a banks are or may the absence of the benefit of conducts, the Covernment as 19 species are destrict as a partial named and the house of conducts, the Covernment as 19 species are destrict as a partial second in an addition of the covernment and named and the note and any intented are in the covernment and are true and are the account of Borrower ment and navietas makes expected as a fact of a conduction of the and naviging (h) for the account of Borrower ment and naviging expected as a fact of a conduction of and take the and naviging (h) for the account of Borrower ment and naviging expected as a fact of a conduction of a conduction of the covernment of an are fact of a conduction of the covernment of an are fact of a conduction of the covernment of an are fact of a conduction of the covernment of an are fact of a conduction of the covernment of the cove (17) SBOULD DEFAILT occur in the pullometries of discharge of any choich in a control of prince in the production of the discharge in the declaration in the declarat (16) Details increased while constructe default under any struct of estable or invited by the Cost maper and executed or asserted by the Cost maper and executed or asserted by the default desirate default ansetting default ansetting default ansetting default. from an employing growning to pay the me to and the boars for standing professions and proharmed by the party non-the to Geneticizing COUNTY OF THE RESIDENCE OF THE CHARMEN OF THE COUNTY OF THE RESIDENCE OF THE CHARMEN OF THE CHAR to gramash a portowers of any officinadi neofic Gallagher sug Onethis and the control of the property of ., 19.85, personally appeared the above-Aran action to the control of the co and arknowledged (ne folgeoing instrument to be (MOTORIAL SEAL)

The property of our minerals except as may be necessary for ordinary to mineral to be mineral to be property of a property of voluntary act and deed. Before me: a good and husbandmanishe manner, comply with such tarm conservation practices and farm and frame in the manner to this may prescribe and manner conservation the property of the Government in me trace to this may prescribe and manner conservation of the seconds covered hereby, or information consent of the seconds covered hereby, or information consent of the seconds covered hereby, or information contains a contained to other minerals except as may be necessary for ordinary for or (9) To maintain tarprovenients in good repuir and make repairs required by the thire among tenter to me and tenter and there and the meaning and the dealers are dealers are dealers. request, to deliver such policies to the Government. To keep the projectly bismed as required by and under measuree policies approved

- PARCEL 1: Government Lots 3, 4, and 5, the SE 1/4 NW 1/4, and the NE 1/4 SW 1/4, Section 6, Township 37 South, Range 12 East of the Willamette Meridian, PARCEL 2:
- The S 1/2 of the SE 1/4 of Section 30, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon.
- The SE 1/4 Section 31, Township 36 South, Range 12 East of the Willamette PARCEL 4: Meridian, Klamath County, Oregon.
- PARCEL 5: The E 1/2 NE 1/4, Section 31 and W 1/2 NW 1/4 Section 32, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon. PARCEL 6:
- Lots 1 and 2; the E 1/2 NW 1/4; and the SW 1/4 NE 1/4 Section 30, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon. PARCEL 7:
- The N 1/2 SE 1/4 Section 30, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon. PARCEL 8:
- The E 1/2 SE 1/4 and E 1/2 W 1/2 SE 1/4 Section 19, Township 36 South, Range 12, East of the Willamette Meridian, Klamath County, Oregon. PARCEL 9:
- The E 1/2 NE 1/4 and NW 1/4 NE 1/4 Section 30, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon.
- The NW 1/4 SW 1/4 Section 21, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon. PARCEL 10:
- PARCEL 11: An eighteen acre tract located in the southwest corner of the northeast quarter of the southwest quarter of Section 21, Township 36 South, Range 12 East of the Willamette Meridian, and more particularly described as follows: Beginning at the southwest corner of said northeast quarter of southwest quarter; thence east along the south line thereof 36 rods; thence north and parallel to the west line thereof 82 rods; thence west parallel to the south line thereof 36 rods to the west line thereof; thence south along the west line thereof 82 rods to the place of beginning.
- PARCEL 12: E 1/2 SW 1/4 and Government Lots 3 and 4, Section 30, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon and Government Lot 1, Section 31, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon.
- PARCEL 13: The SE 1/4 Section 25, the NE 1/4 Section 36, all in Township 36 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon. PARCEL 14:
- The E 1/2 SE 1/4 Section 36, Township 36 South, Range 11 East of the Willamette
- PARCEL 15: Lots 3, 4, and 5; Lots 7 through 19, inclusive; and Lots 21 and 23 inclusive, all in Block 1 of WHISKEY CREEK ACRES, TRACT 1162, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

"The above is the same property recorded in Mortgage Records of said county in Volume M77, page 22267, Microiflm Records of Klamath County, Oregon

This mortgage is also given to further secure the obligations secured by hereinbefore described mortgage to the Government, which mortgage shall remain in full force and effect.

TOGETHER WITH State of Oregon Permit #G-10731 and the following described irrigation

Irrigation equipment, including but not limited to the following items, and including

any :	replacements thereof or add	litions thereto:	tems, and including
1	Cascade Pump G.E. Electric Motor Layne & Bowler Pump G.#. Electric Motor	60 H.P., Code F, Type CFU Pump size 12 30 H.P., Mdl 5K6247XCl01B Verti-Line Rancher	Serial #741882 Serial #3777 Serial #4X51108308
1 1 1	rump Motor Pump	10 H.P. Mdl #2±1/2W-20-2 20 H.P., Mdl #5K254JL1012A	Serial #287578 Serial #30014-7
30 pc: 15 pc: 57 pc:	s Mainline Handline	10 H.P., Mdl #11-2002, Type KT302 4" x 30' 5" x 40' 3" x 40'	Serial #K2C4570
This o	document is being rerecorde	d to fully disclose (rest legal	description of

This document is being rerecorded to fully disclose/real property and personal property

AFTER	RECORDING	RETTIEN	mo.
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Mountain Title Company of Klamath County

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or_	Mortgages o'clock P M.,	and duly recorded in 11 1 200 day
FEE \$21.00	on Page _	1010% TOURS IN VOI MAS
	No.	10123
	Evelyn Biehn	County Clerk

Biehn County Clerk