USDA-FmHA Form FmHA 427-1 OR

(Rev. 4-21-81) CREAL ESTATE MORTGAGE FOR OREGON PAUL PAUL 1957

THIS MORTGAGE is made and entered into by

for the first the four emissions by the notes only for perfected interpreted by Coles BRUCE S. TOPHAM and VIRGINIA A. TOPHAM, husband and wife

wesiding in County, Oregon, whose post office (2) An advance of the Constitution of Section in the incident and interest of the section

address is HC 63. Box 894. Sprague River _____, Oregon <u>97639</u>

herein called "Borrower," and the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, herein called the "Government," and:

WHEREAS Borrower is indebted to 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: o the presentance acts that are name the last that are

Date of Instrumental ways as any property of Amount	Annual Rate of Interest	Duz Date of Final Installment
October 29, 1986 and 3 352,000.00	s.c. 8.25%	October 29, 2026
June 19, 1979 \$10,500.00 April 26, 1978 \$11,000.00	F 00#	June 19, 1994
- April: 20, 19/0 / 12/03/2015 18 3: 500 00 12/02/2016	information with and the contraction of the contrac	April 26, 2018 April 26, 2018
November 2, 1976 10 808 D 80 \$70,000.00 crass or	5.00%	November 2, 2016

(If the interest rate is less than NA % 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 therof 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 save 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 Govern-

ment the following property situated in the State of Oregon, County(ies) of Klamath

PARCEL 1: Government Lots 18, 23, 25, 26, 27, 30, 31 and 32 of Section 13, the NE%; ENWA; NSW4; SELSW4; and the Wasek of Section 24, the NEX of Section 25, all in Township 36 South, Range 11 East of the Willamette Meridian; Government Lots 6, 7, and 8 of Section 19, Township 36 South, Range 12 East of the Willamette Meridian, excepting that portion of the NEt of Section 25 lying within the Chief Schonchin Cemetery, as described in Deed recorded February 16, 1961, book 307, page 348.

PARCEL 2: The Fast of Section 24, Township 36 South, Range 11 East of the Willamette Meridian and Government Lots 3 and 4 of Section 19, Township 36 South, Range 12 East of the Willamette Meridian.

- continued from the front side -Physical De Character La Character 30 South PARCEL 3: The NEANER of Section 23; and the NWANWA of Section 24, Township 36 South, Range 11 East of the Willamette Meridian.

and the strong space and the second spaces for the second of the second The above is the same property recorded in Mortgage records of said county in Volume M79, page 19875, Volume M79 on page 14357, Volume M78 on page 8744, and in Volume M76 on page 17450.

This mortgage is also given to further secure the obligations secured by the hereinbefore described mortgages to the Government, which mortgages shall remain in full force and effect them provided the second s the construction and integral builder, to send y performance of floring may agree accept a construction of the construction of

intransof the new insues, colder, to second extension, thereof and any specimen sports and the angelies of a p Cole is falls by one insues, colder, to second extension, of Bornaker's acted acceptance in the colder. NOW THERE IS IN COMMERCED IN THE PARTY OF THE THE RESIDENCE AND THE CHARLES FOR THE PROPERTY OF THE PROPERTY O

en same. Na politika nje silin sik<mark>alikir sikaliji ili k</mark>opensili sika posebi pe su politika po ese grazimana. The property of the property o

together with all rights, interests, easements, hereditaments and appurtenances thereunto belonging, the rents, issues, and rogerner with an figure, increases, exsements, necessaments and apportenances thereinto belonging, the tents, 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 reasonably necessary to the use thereof, including, but not minicu to, langes, terrigerators, cionics washers, cionics was 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:

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 Gov-

(2) To pay to the Government such fees and other charges as may now or hereafter be required by regulations of ernment, as collection agent for the holder.

(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. the Farmers Home Administration.

(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 prerequired never to be paid by isotrower and not paid by portuner when due, as well as any costs and expenses for the pre-servation, 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 as described in this instrument, with interest, shall be immediately due and by. No such advance by the Government shall relieve Borrower from breach of Borrower's covenant to pay. Any payment by Borrower may be applied on the 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

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 dovernment.

To pay when due all taxes, liens, judgments, encumbrances, and assessments lawfully attaching to or assessed.

To pay when due all taxes, liens, judgments in connection with water, water rights, and water stock pertaining Government determines. against the property, including all charges and assessments in connection with water, water rights, and water stock pertaining against the property, manufacting an assessments in connection with wait, water states along 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.

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request, to deliver such policies to the Government.

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To keep the property insured as required by and under insurance policies approved by the Government and, at its To maintain improvements in good repair and make repairs required by the Government; operate the property in husbandmanlike manner comply with such form consequential practices and form and home management plans as 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 ahandon the property or cause or permit waste, lessening or a good and husbandmanlike manner; comply with such farm conservation practices and farm and home management plans as impairment of the security covered hereby, or, without the written consent of the Government, cut, remove, or lease any impairment of the security covered nereby, or, without the written consent of the Government, cut, re 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.

(10) To comply with an laws, ordinances, and regulations affecting the property.

(11) To pay of reimburse the Government for expenses reasonably necessary or incidental to the protection of the lien provides the enforcement of or the compliance with the provisions hereof and of the note and any cumle. and priority hereof and to the enforcement of or the compliance with the provisions hereof and of the note and any supplementary agreement (whether hefore or after default) including but not limited to costs of evidence of title to and survey and priority hereot and to the enforcement of or the compliance with the provisions hereof and of the note and any supple-mentary 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 mentary agreement (whether before or after default), including but not limited to costs of evidence of title to and survey advertising selling or conveying the property.

rusing, seiling, or conveying the property.

(12) Neither the property nor any portion thereof or interest therein shall be leased, assigned, sold, transferred, or without the written consent of the Government. The Government shall have the sole (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 mortgaged hereunder including but not limited to the power to grant consents partial releases subencumbered, 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, suband exclusive rights as mortgagee hereunder, including but not limited to the power to grant consents, partial releases, sub-

(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.

and agreements contained nerein 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 has the note or any indehtedness to the Government secured by this instrument. (b) release any party who is liable 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 nortions of the property and subordinate its 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 not and (d) waive any other of its rights under this instrument. Any and all this can and will be done without affecting the under the note or for the debt from liability to the Government, (c) release portions of the property and subordinate its 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 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 or debt secured by this instrument unless the Government says otherwise in writing. HOWEVER, any torbearance by the Government—whether once or often—in exercising any right or remedy under this instrument, or otherwise afforded by

(15) If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a production a Federal land hank or other responsible connective or private credit source at reasonable rates and terms (15) If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a production for loans for similar nurposes and neriods of time. Rossower will upon the Covernment's request, apply for and accent such credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and 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 nav the note and any indehtedness secured hereby and to nav for any stock necessary to be 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.

flased in a cooperative lending agency in connection with such toan.

(16) Default hereunder shall constitute default under any other real estate or crop or chattel security instrument held here to be a secured by Rorrowar and default under any such other security instrument. (16) Detault hereunder shall constitute detault under any other real estate or crop or chattel security instrument neighbor constitute default hereunder.

Borrower, and default under any such other security instrument

constitute detault neteuriuer.

(17) SHOULD DEFAULT occur in the performance or discharge of any obligation in this instrument or secured by netrument or should any one of the narties named as Rorrower die or be declared an incompetent a hankrunt or an (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 assignment for the benefit of creditors the Government at its option with or without notice may: 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: 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 property. (c) upon application by it and production of this instrument without other 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 of receivers in like cases. (d) foreclose this instrument as provided herein or by law. and (e) enforce any and all other rights

evidence and without notice of hearing of said application, have a receiver appointed for the property, with the usual powers and remedies provided herein or by law, and (e) enforce any and all other rights emedies provided nerein 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 or complying with the provisions hereof (h) any prior liens required by law or a competent court to

incident to enforcing or complying with the provisions hereof, (b) any prior liens required by law or a competent court to the Government secured hereby (d) inferior liens 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 any other indebtedness of be so paid, (c) the debt evidenced by the note and all indebtedness to the Government secured hereby, (d) inferior liens for a competent court to be so paid, (e) at the Government's option, any other indebtedness of any balance to Rorrower. At foreclasure or other sale of all or any of record required by law or a competent court to be so paid, (e) at the Government's option, any other indebtedness of the property the Government, and (f) any balance to Borrower. At foreclosure or other sale of all or any bid and purchase as a stranger and may pay the Government's Borrower owing to or insured by the Government, and (t) 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 such amount on any debts of Borrower owing to or insured by the Government 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,

e order prescribed above.

(19) Borrower agrees that the Government will not be bound by any present or future laws, (a) providing for valuaappraisal homestead or exemption of the property. (b) prohibiting maintenance of an action for a deficiency indement (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 which such action may be brought. (c) prescribing any other statute of tion, 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 allowing any right of redemption or possession following any foreclosure sale, or (e) limiting the conditions 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 be provided in the interest rate it may charge as a condition of approving a 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 relinquishes, waives, and conveys all rights, inchease or consummate or descent, dower and curtesy. Borrower hereby transfer of the property to a new Boffower. Boffower expressly waives the benefit of any such at 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 property to be used as an owner-occupied dwelling therein called "the dwelling") and if Rottower intends to call (20) If any part of the loan for which this instrument is given shall be used to finance the purchase, construction or rent the dwelling and has obtained the Government's consent to do so (a) neither Borrower nor anyone authorized to act repair of property to be used as an owner-occupied dwelling (herein called "the dwelling") and if Borrower intends to sell or Borrower will, after receipt of a bona fide offer refuse to negotiate for the sale or rental of the dwelling or will otherwise of rent the dwelling and has obtained the Government's consent to do so (a) neither Borrower nor anyone authorized to act make innavailable or deny the dwelling to anyone because of race color religion sex, or national origin and (b) Borrower for Borrower will, after receipt of a bona fide offer, refuse to negotiate for the sale of rental of the dwelling or will otherwise make unavailable or deny the dwelling to anyone because of face, color, religion, sex, or national origin and (b) Borrower and the sale of the sale of refuse and will not comply with or attempt to enforce any restrictive covenants on the 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 it regulations not inconsistent with the express provisions hereofilm. (22) Notices given hereunder stall 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 97204, 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). Office records (which normally will be the same as the post office address shown above).

(23) If any provision of this instrument or application hereof 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. nydinuling diesemoant merceller, dat hire schlag schalt sook betaak inselve betassight del percunier voor elever einer of finantiens. (At diesempaus our relieur en person en fediensel, aur hirecterser soot en teele en een sook schied die Cavennieur aus, by regulation oupose, itselvene die energe eine dieny chalse. Thurshippand hunestend on exemplantation of orderly; the partialized manuscreen in subordial cases, and removes the manuscreen and remove the cases of the subordial cases. (19) Baroner guera that the Confirmant will can be bound by any pieces, or influe from the new and and is the order brascuped above. Beards or awing to be luxured by the Covermient, and (t) any balance for a replicit, force to account of the of above my part of the property, the Covermient and its escent heat, bid and purchase as a straight and account to the indicate and the purchase by crediting such amount on any debta of forcement which is the meaning to a mean of the purchase by crediting such amount on any debta of forcement meaning to a meaning the meaning of the meaning to a mean of the meaning to a meaning the meaning of the meaning of the meaning the meaning of of centil required by his in a competent wind to be as paid; (c) at the Consergnant's oppose and a public colorer of memory and the colorer of the colorer o inculant to sufficing to countifying with the provisions bereat, (b) any pure have transled by the ladies amount to the countries of the solution and the solut (18). Her proceeds of tardelossic sale slish be specied in the folia whice others to the calculation to tentum and account account and account account and account account account account and account and remodits provide thereing the present or future low. of raceivers in like, grace, (d) threedom this instrument as gracested beginn the policy and (a) galacte cap race effects; and an account of an active annuals a loss to the factors. evidence and without nortice of begins of such application, have a receiver appointed by the figure with the figure per ers (a) declare the entire amount amount and enter the note and buy industriances to the Covering there's estimate interaction the state of the covering an industrial and the state of the covering the interaction of the property (c) upon application of and production of the continuous efficient of the continuous for the manner of the entire transfer of the entire trans incident, or pushe an assistment for the benefit of cooldiers, the Categorian of it is going with or a chost the incident of cooldiers and the Categorian base in a boundar on a considerant of the Categorian base in based of the control of the Categorian base in the categorian base in the categorian base in the categorian base in a second of the categorian base in t (17). 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Concrement whether we see managing according into a management of the of the profits of the best among of Burdan social of Allardinia A. Atopham activities STATE OF OREGON and and the particular of general content of the particular of the p On this _ day of _ and excludive rights as morty i.g., horeother, particular but not thebed to the power to , 19.86, personally appeared the above-BRUCE S. TOPHAM and VIRGINIA A. TOPHAM husband and wife and acknowledged the foregoing instrument to be (NOTORIAL SEAL) voluntary act and deed. Before me: જેવું 🤃 and the place paintals encipe as may be places and Notary Public. imborie NEXIO My Commission expires al opins or a And the state of t To keep the property incured of required by and under interiors bought appeared by STATE OF OREGON: COUNTY OF KLAMATH: Filed for record at request of October A.D., 19 af the o'clock. M., and duly recorded in Vol. day Mortgages on Page FEE \$17.00 Evelyn Biehn, County Clerk