

70287

THIS MORTGAGE, Made this 23<sup>rd</sup> day of December, 1986, between MALIN GRAIN AND FEED COMPANY, duly organized and existing under the laws of the State of Oregon, hereinafter called the Mortgagor, and IVAN KANDRA, NORMA KANDRA and LESTER C. FLECK hereinafter called the Mortgagee, WITNESSETH, That said mortgagor, in consideration of FOUR HUNDRED FORTY-TWO THOUSAND FIVE HUNDRED and no/100 \* \* \* \* Dollars, to it paid by said mortgagee, does hereby grant, bargain, sell and convey unto said mortgagee, his heirs, executors, administrators, successors and/or assigns, that certain real property situated in Klamath County, State of Oregon, bounded and described as follows:

See Exhibit A attached, and by reference made a part hereof.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and which may hereafter thereto belong or appertain, and the rents, issues and profits therefrom, and any and all fixtures upon said premises at the time of the execution of this mortgage or at any time during the term of this mortgage.

To Have and to Hold the said premises with the appurtenances unto the said mortgagee, his heirs, executors, administrators, successors and/or assigns forever.

This mortgage is intended to secure the payment of three promissory notes of which the following is a substantial copy:

See Exhibit B attached, and by reference made a part hereof.

The date of maturity of the debt secured by this mortgage is the date on which the last scheduled principal payment becomes due, to-wit: December 31, 1996.

And said mortgagor covenants to and with the mortgagee, his heirs, executors, administrators, successors and/or assigns, that it is lawfully seized in fee simple of said premises and has a valid, unencumbered title thereto

and will warrant and forever defend the same against all persons; that it will pay said note, principal and interest, according to the terms thereof; that while any part of said note remains unpaid it will pay all taxes, assessments and other charges of every nature which may be levied or assessed against said property, or this mortgage or the note above described, when due and payable and before the same may become delinquent; that it will promptly pay and satisfy any and all liens or encumbrances that are or may become liens on the premises or any part thereof superior to the lien of this mortgage; that it will keep the buildings now on or which hereafter may be erected on the said premises continuously insured against loss or damage by fire and such other hazards as the mortgagee may from time to time require, in an amount not less than the original principal sum of the note or obligation secured by this mortgage, in a company or companies acceptable to the mortgagee, with loss payable first to the mortgagee and then to the mortgagor as their respective interests may appear; all policies of insurance shall be delivered to the mortgagee as soon as insured. Now, if the mortgagor shall fail for any reason to procure any such insurance and to deliver said policies to the mortgagee at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the mortgagee may procure the same at mortgagor's expense; that it will keep the buildings and improvements on said premises in good repair and will not commit or suffer any waste of said premises. At the request of the mortgagee, the mortgagor shall join with the mortgagee in executing one or more financing statements pursuant to the Uniform Commercial Code, in form satisfactory to the mortgagee, and will pay for filing the same in the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the mortgagee.

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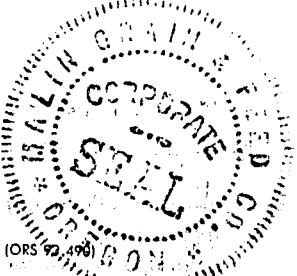
Now, therefore, if said mortgagor shall keep and perform the covenants herein contained and shall pay said note according to its terms, this conveyance shall be void, but otherwise shall remain in full force as a mortgage to secure the performance of all of said covenants and the payment of said note; it being agreed that upon a failure to perform any covenant herein, or if proceeding of any kind be taken to foreclose any lien on said premises or any part thereof, the mortgagee shall have the option to declare the whole amount unpaid on said note or on this mortgage at once due and payable, and this mortgage may be foreclosed at any time thereafter. And if the mortgagor shall fail to pay any taxes or charges or any lien, encumbrance or insurance premium as above provided for, the mortgagee may at his option do so, and any payment so made shall be added to and become a part of the debt secured by this mortgage, and shall bear interest at the same rate as said note without waiver, however, of any right arising to the mortgagee for breach of covenant. And this mortgage may be foreclosed for principal, interest and all sums paid by the mortgagee at any time while the mortgagor neglects to repay any sums so paid by the mortgagee. In the event of any suit or claim being instituted to foreclose this mortgage, the mortgagor agrees to pay all reasonable costs incurred by the mortgagee for title reports and title search, all statutory costs and disbursements and such further sum as the trial court may adjudge reasonable as plaintiff's attorney's fees in such suit or action and if an appeal is taken from any judgment or decree entered therein mortgagor further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal, all such sums to be secured by the lien of this mortgage and included in the decree of foreclosure.

Each and all of the covenants and agreements herein contained shall apply to and bind the heirs, executors, administrators, successors and/or assigns of said mortgagor and of said mortgagee respectively.

In case suit or action is commenced to foreclose this mortgage, the Court, may, upon motion of the mortgagee, appoint a receiver to collect the rents and profits arising out of said premises during the pendency of such foreclosure, and apply the same to the payment of the amount due under this mortgage, first deducting all proper charges and expenses attending the execution of said trust.

In construing this mortgage, it is understood that the mortgagee may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, MALIN GRAIN AND FEED COMPANY pursuant to a resolution of its Board of Directors, duly and legally adopted, has caused these presents to be signed by its President and Secretary, and its corporate seal to be hereunto affixed this 23<sup>rd</sup> day of December, 1986,



Malin Grain and Feed Company  
By [Signature] President

By Craig Fleck Secretary

STATE OF OREGON, County of Klamath ) ss. Dec 29, 1986,

Personally appeared Chris Kondra & Craig Fleck

who being duly sworn (or affirmed) did say that they the

President and Secretary

(President or other officer or officers)

of Malin Grain and Feed Company

(Name of corporation)

and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and he acknowledged said instrument to be its voluntary act and deed.

(OFFICIAL SEAL)

Before me: [Signature]  
Notary Public for Oregon.  
My commission expires 9-17-90

## MORTGAGE

Corporation

(FORM No. 75A)

STEVENS-NEER LAW PUB. CO., PORTLAND, ORE.

TO

SPACE RESERVED  
FOR  
RECORDER'S USE

AFTER RECORDING RETURN TO

Zalutsky, Klarquist & Johnson, P.C.  
215 S.W. Washington  
Portland, Oregon 97204

STATE OF OREGON

County of \_\_\_\_\_ } ss.

I certify that the within instrument was received for record on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and recorded in book \_\_\_\_\_ on page \_\_\_\_\_ or as file/reel number \_\_\_\_\_, Record of Mortgages of said County. Witness my hand and seal of County affixed.

By \_\_\_\_\_ Deputy.

## EXHIBIT A

The following described real property situate in Klamath County, Oregon, to-wit;

Parcel 1: Beginning at the one-quarter corner on the South line of Section 16, Township 41 S.R. 12 E.W.M.; thence West along the section line, 72 feet, more or less to the Northeasterly right of way line of the Great Northern Railroad; thence Northwesterly along the curve of said right of way line to a point which is 225.7 feet southeasterly from the intersection of the Southeasterly line of the County road running from Malin to the Great Northern depot, with the Northeasterly right of way line of said railroad; thence North 49°55' East 139.2 feet; thence Southeasterly along the arc of a curve parallel to and 139.2 feet distant from the right of way line of said railroad; to the east line of the SE $\frac{1}{4}$  of SW $\frac{1}{4}$  of said Section 16; thence South 152.5 feet, more or less, to the point of beginning; being a portion of the SE $\frac{1}{4}$  of SW $\frac{1}{4}$  of Section 16, Township 41 S.R. 12 E.W.M., containing 2.21 acres, more or less.

Parcel 2: Beginning at the South one-quarter corner of Section 16, Township 41 S.R. 12 E.W.M., thence Northerly along the North and South center line of Section 16, 797 feet, thence westerly at right angles to the North and South center line of Section 16, a distance of 470 feet, to a point on the southerly right of way of the county road which point is the point of beginning. Thence southwesterly along the Southerly right of way line of said County Road, a distance of 164.9 feet, to a point of intersection with the easterly right of way line of the Great Northern Railway; thence southeasterly along said right of way line of the Great Northern Railway; a distance of 225.7 feet; thence northeasterly a distance of 139.2 feet, more or less to a point which is southeasterly 165.8 feet from the point of beginning; thence Northwesterly 165.8 feet to the point of beginning, being a portion of the SE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 16, Township 41 S.R. 12 E.W.M.

\$147,500

PROMISSORY NOTE

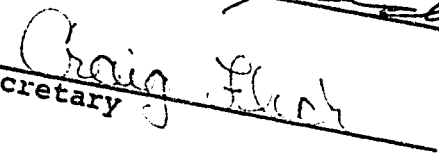
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Malin, Oregon Dec. 23, 1986

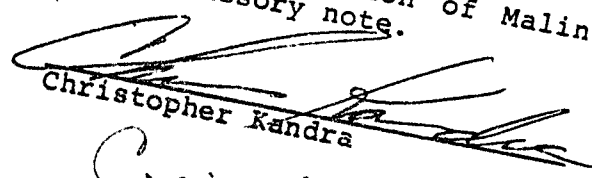
The undersigned corporation promises to pay to the order of NORMA KANDRA at Portland, Oregon ONE HUNDRED FORTY-SEVEN THOUSAND FIVE HUNDRED and no/100 DOLLARS with interest thereon at the rate of nine percent per annum from the date hereof until paid, payable in semi-annual installments of not less than \$11,339.23 in any one payment. Interest shall be paid semi-annually and is included in the minimum payments above required. The payments shall be due on June 30 and December 31 of each year commencing on June 30, 1987 to and including December 31, 1996 or until the note is fully paid. If any of said installments is not so paid, all principal and interest shall become immediately due and collectible at the option of the holder of this note. If this note is placed in the hands of an attorney for collection, the corporation promises and agrees to pay the holder's reasonable attorney's fees and collection costs, even though no suit or action is filed hereon; however, if a suit or an action is filed, the amount of such reasonable attorney's fees shall be fixed by the court, or the courts in which the suit or action, including any appeal therein, is tried, heard or decided.

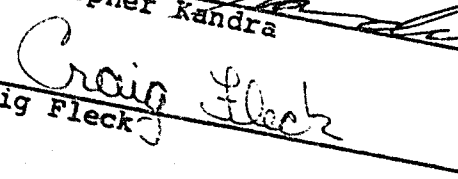
MALIN GRAIN AND FEED COMPANY

By:   
President

By:   
Secretary

We unconditionally guarantee the obligation of Malin Grain and Feed Company under this promissory note.

  
Christopher Kandra

  
Craig Fleck

PROMISSORY NOTE

495

\$147,500

Malin, Oregon Dec. 23, 1986

The undersigned corporation promises to pay to the order of IVAN KANDRA at Redding, California ONE HUNDRED FORTY-SEVEN THOUSAND FIVE HUNDRED and no/100 DOLLARS with interest thereon at the rate of nine percent per annum from the date hereof until paid, payable in semi-annual installments of not less than \$11,339.23 in any one payment. Interest shall be paid semi-annually and is included in the minimum payments above required. The payments shall be due on June 30 and December 31 of each year commencing on June 30, 1987 to and including December 31, 1996 or until the note is fully paid. If any of said installments is not so paid, all principal and interest shall become immediately due and collectible at the option of the holder of this note. If this note is placed in the hands of an attorney for collection, the corporation promises and agrees to pay the holder's reasonable attorney's fees and collection costs, even though no suit or action is filed hereon; however, if a suit or an action is filed, the amount of such reasonable attorney's fees shall be fixed by the court, or the courts in which the suit or action, including any appeal therein, is tried, heard or decided.

MALIN GRAIN AND FEED COMPANY

By: [Signature]  
President

By: Craig Fleck  
Secretary

We unconditionally guarantee the obligation of Malin Grain and Feed Company under this promissory note.

[Signature]  
Christopher Kandra

Craig Fleck  
Craig Fleck

PROMISSORY NOTE

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\$147,500                      Malin , Oregon Dec. 23 , 1986

The undersigned corporation promises to pay to the order of LESTER C. FLECK at Malin , Oregon ONE HUNDRED FORTY-SEVEN THOUSAND FIVE HUNDRED and no/100 DOLLARS with interest thereon at the rate of nine percent per annum from the date hereof until paid, payable in semi-annual installments of not less than \$11,339.23 in any one payment. Interest shall be paid semi-annually and is included in the minimum payments above required. The payments shall be due on June 30 and December 31 of each year commencing on June 30, 1987 to and including December 31, 1996 or until the note is fully paid. If any of said installments is not so paid, all principal and interest shall become immediately due and collectible at the option of the holder of this note. If this note is placed in the hands of an attorney for collection, the corporation promises and agrees to pay the holder's reasonable attorney's fees and collection costs, even though no suit or action is filed hereon; however, if a suit or an action is filed, the amount of such reasonable attorney's fees shall be fixed by the court, or the courts in which the suit or action, including any appeal therein, is tried, heard or decided.

MALIN GRAIN AND FEED COMPANY

By: [Signature]  
President

By: Craig Fleck  
Secretary

We unconditionally guarantee the obligation of Malin Grain and Feed Company under this promissory note.

[Signature]  
Christopher Kandra

Craig Fleck  
Craig Fleck

EXHIBIT "B"

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of \_\_\_\_\_ the 12th day  
of January A.D., 19 87 at 11:58 o'clock A M., and duly recorded in Vol. M87  
of Mortgages on Page 491

FEE \$25.00

Evelyn Biehn, County Clerk  
By [Signature]