

70472

Vol 1987

Page

799

THIS MORTGAGE, Made this 23rd 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 note S 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, accord-
ing 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, the feminine 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 of December, 19 86, and its corporate seal to be hereunto affixed this 23rd day



By Malin Grain and Feed Company
[Signature] President

By Craig Fleck Secretary

STATE OF OREGON, County of Klamath) SS. , 19 86

Personally appeared Chris Landua and Craig Fleck

Chris Landua and Craig Fleck who being duly sworn (or affirmed) did say that they the President and Secretary 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-NESS 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 _____ Title _____
Deputy.

The following described real property in Klamath County, Oregon:

PARCEL 1: Beginning at a point on the South line of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 21, Township 41 South, Range 12 East of the Willamette Meridian, which lies East a distance of 275 feet from the Southwest corner of said NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 21, and which point is also on the Easterly right of way line of the Great Northern Railroad, and running thence: Continuing East along the South line of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section, Township and Range, a distance of 1031.6 feet to a point; thence North parallel to the West line of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 21, a distance of 344.5 feet to a point; thence West parallel to South line of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 21, a distance of 1031.6 feet to a point on the Easterly right of way line of the Great Northern Railroad; thence South along the Easterly right of way line of the Great Northern Railroad, and parallel to the Westerly line of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 21, a distance of 844.5 feet, more or less, to the point of beginning, said tract being in the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 21; SAVING AND EXCEPTING that certain parcel of land deeded to Acme Packing & Provision Company, Inc., a Washington corporation, to Great Northern Railway Company by deed recorded June 19, 1942, in Book 148 at page 114, Deed Records of Klamath County, Oregon, described as follows:

ALL that portion of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 21, Township 41 South, Range 12 East of the Willamette Meridian, lying within 12.5 feet on the Westerly side and 8.5 feet on the Easterly side both at right angles from the following described center line and said center line produced 8.5 feet of a proposed spur tract. Commencing at a proposed Headblock in the center line of the main track of the right of way of the Great Northern Railroad Co. as now constructed and operated, distant there along 2,082 feet, more or less, from its intersection with the North line of said Section 21; thence

Northerly along a No. 11 Turnout curve to the right through an angle of 5°12', a distance of 90 feet; thence Northeasterly and tangent 100.4 feet; thence Northeasterly along a 6° curve to the right through an angle of 23°00'30" a distance of 383.5 feet; thence along a 7°30' curve to the left through an angle of 28°12'30" a distance of 376.1 feet, more or less, to a point distant 12.5 feet at right angles Easterly of the Easterly margin of the right of way or lands of the said Railway Co., thence Northerly and parallel with said Easterly margin 618.5 feet to the end of this description, except right of way or lands of the said Railway Company.

PARCEL 2: Farm Unit "D" or the Lot 2 and the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 21, Township 41 South, Range 12 East of the Willamette Meridian, except those portions deeded to the Great Northern Railway Company, a corporation, recorded in Book 95 at page 198 of Deed Records of Klamath County, Oregon, on December 4, 1931; and that portion recorded in Book 97 at page 471 of Deed Records of Klamath County, Oregon, on June 17, 1932.

PARCEL 3: The NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 21, Township 41 South, Range 12 East of the Willamette Meridian, and NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 21, Township 41 South, Range 12 East of the Willamette Meridian LESS 6.33 acres to Great Northern Railway Company described in Deed recorded in Volume 95 at page 557, Klamath County, Oregon, Deed Records, and LESS 20 acres, more or less, to Acme Packing Company described in Deed recorded in Volume 146, page 426, Klamath County Deed Records, all being a part of Government Lot "A", Section 21, Township 41 South, Range 12 East of the Willamette Meridian.

PROMISSORY NOTE

\$147,500

_____, Oregon _____, 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: _____
PresidentBy: _____
Secretary

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

Christopher Kandra_____
Craig Fleck

EXHIBIT B

PROMISSORY NOTE

\$147,500 _____, Oregon _____, 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

EXHIBIT B

PROMISSORY NOTE

804

\$147,500

_____, Oregon _____, 1986

The undersigned corporation promises to pay to the order of LESTER C. FLECK at Klamath Falls, 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

EXHIBIT B

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____
of _____ January _____ A.D., 19 87 at 11:39 o'clock _____ A M., and duly recorded in Vol. 1137 day
of _____ Mortgages _____ on Page 799

FEE \$25.00

Evelyn Biehn
By _____ County Clerk