.99,103	Po.		M89 Page 6400
USDA-FmHA Form FmHA 427-1 OR	Aspen	33308 RTGAGE FOR OREGON	
(Rev. 5-88)	is made and entered into by		
THIS MORTGAGE i	s made and entered into by		
KENN	NETH D. MASTEN and CONNI	LE S. MASTEN, husband	and wire
residing in	KLAMATH	C	County, Oregon, whose post office
address isRt	2, Box 21, Bonanza		, Oregon <u>97625</u> ,
haroin called "Borrower	" and the United States of Ame	fica, acting unough the	
States Department of Agr	iculture, whose mailing address is -	2455 Patterson St.,	Suite #1
	· · · · ·	97603 here	in called the "Government," and:,
WHENNYASCBNNNA	NEED TO THE REAL PORT OF THE REAL PORT OF THE PARTY NAME OF THE PA	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	DXXINKSK K XUDALSIAN DARMANIS XDXXIXXK NK XHAXGINKIXXXX XHIYX HMXMX XIYX HAXSIMMX XIXX XS
deservited as follows	XRXHRKANKANK	ATRIANKRASK XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	RNK KAWXANNA XXXIIXAIKABAXXX
RATEXXXXXXXXXXXX		a ouide	enced by a Net Recovery
WHEREAS Born Buy Out Recapture Borrower, is paya	rower is indebted to the e Agreement, herein cal able to the order of the	e Government, as evide Led "Note", which has e Government, and is o	nced by a Net Recovery been executed by described as follows:
3		Amount	
Date of Inst April 7, 19		\$30,170.00	
And the note evic	AN XESS HEAX XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	the Government, at any time, Rural Development Act, or Tit	The Housing Act of 1949, or V of the Housing Act of 1949, or
Government, or in the shall secure payment of of the note or attach to	pose and intent of this instrument event the Government should ass f the note; but when the note is f o the debt evidenced thereby, but	ign this instrument without insteld by an insured holder, this is as to the note and such debt sha	It times when the note is held by the urance of the note, this instrument instrument shall not secure payment all constitute an indemnity mortgage It by Borrower;
to secure the Governme And this instrume by the Government pur	ent also secures the recapture of a suant to 42 U.S.C. §1490a.	ny interest credit or subsidy wh	hich may be granted to the Borrower
NOW THEREFO in the event the Gover payment of the note an note is held by an ins the Government agains all times to secure the after described, and the agreement, Borrower d	RE, in consideration of the loads nment should assign this instrume id any renewals and extensions the sured holder, to secure performan- st loss under its insurance contrac prompt payment of all advances e performance of every covenant a loes hereby grant, bargain, sell, co	reof and any agreements contain ice of Borrower's agreement he t by reason of any default by I and expenditures made by the nd agreement of Borrower contain novey, mortgage, and assign wit	note is held by the Government, or yment of the note, to secure prompt ned therein, (b) at all times when the rein to indemnify and save harmless Borrower, and (c) in any event and at Government, with interest, as herein- ained herein or in any supplementary h general warranty unto the Govern-
ment the following pro	pperty situated in the State of Oreg	on, County (les) of KL	AMATH 10
<u>Those portions</u> Township 39 Sou Master Drain an constructed, in	of Lot 2, Lot 3, Lot 4, Ith, Range 11 East of th Id South of a diagonal d In the County of Klamath,	<u>SE¼NW¼, W¼SE¼ and th</u> e Willamette Meridian rain as the same is p State of Oregon.	e E ¹ ₂ SW4 of Section 10, : , lying West of the resently located and
The above is th	ne same property recorde	ed in the Mortgage rec	ords of said county
in Book M-80 or	ı page 12499.		FmHA 427-1 OR (Rev. 5-88)



ernment, as collection agent for the holder.

the Farmers Home Administration.

together with all rights (including the right to mining products, gravel, oil, gas, coal or other minerals), interests, easements, bereditements and appurtaneous thereints belonging the rents issues and profits thereof and revenues and income there. together with all rights (including the right to mining products, gravel, oil, gas, coal or other minerals), interests, easements, hereditaments and appurtenances thereunto belonging, the rents, issues, and profits thereof and revenues and income there-from all improvements and personal property pay or later attached thereto or reasonably peasary to the use thereof hereditaments and appurtenances thereunto belonging, the rents, issues, and profits thereof and revenues and income there-from, all improvements and personal property now or later attached thereto or reasonably necessary to the use thereof, including, but not limited to infinition systems including pumps motors electrical papels ping, entitles and other access from, all improvements and personal property now or later attached thereto or reasonably necessary to the use thereof, including, but not limited to, irrigation systems, including pumps, motors, electrical panels, pipe, sprinklers, and other acces-sories pertaining thereto; milking, milk handling, and milk storage systems, and other accessories pertaining thereto; manure bandling systems: livertock feeding systems; ranges refrigerators clothes washers, clothes drivers of carpeting purphased or

assessments, insurance premiums and other charges upon the mortgaged premises.

advances required by the terms of the note, as described by 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

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

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

handling systems; livestock feeding systems; ranges, refrigerators, clothes washers, clothes dryers, or carpeting purchased or financed in whole or in part with loan funds, whether or not attached to the real estate; all water, water rights, water certificates, water permits, water allotments, and water stock pertaining thereto, no matter how evidenced; and all payments at any time owing to Borrower by virtue of any sale, lease, transfer, conveyance, or condemnation of any part thereof or inter-est therein-all of which are herein called "the property";

BORROWER for Borrower's self, Borrower's heirs, executors, administrators, successors and assigns WARRANTS THE BURKOWER for borrower's sell, Borrower's heirs, executors, administrators, successors and assigns WARKAN15 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. 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

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

(4) Whether or not the note is insured by the Government, the Government may at any time pay any other amounts including advances for payment of prior and/or junior liens, 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 Bor-

All advances by the Government, including advances for payment of prior and/or junior liens, in addition to any

To pay promptly when due any indebtedness to the Government hereby secured and to indemnify and save

TO HAVE AND TO HOLD the property unto the Government and its assigns forever in fee simple.

rower's account. All such advances shall bear interest at the rate borne by the note which has the highest interest rate.

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

(9) To mannam improvements in good repair and make repairs required by the obvertiment, operate the property in a good and husbandmanlike manner; comply with such farm conservation practices and farm and home management plans as the Community from time to time mail prescribel and not to abredon the property, or cause or permit whete describe or 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 suppleand priority neteor and to the enforcement of or the compliance with the provisions neteor and or the note and any supply 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 advertising, selling, or conveying the property.





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(12) Except as otherwise provided in the Farmers Home Administration regulations, neither the property nor any

(12) Except as otherwise provided in the Farmers frome Administration regulations, neturer the property nor any portion thereof or interest therein shall be leased, assigned, sold, transferred, or encumbered, voluntarily or otherwise, with portion interest interest interest interest interest stall be reased, assigned, sold, transferred, or encumpered, voluntarily or otherwise, with-out the written consent of the Government. The Government shall have the sole and exclusive rights as mortgagee hereunder, out 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 that have any right title or interest in or to the lies or conviberative barefite bareof

(13) At all reasonable times the Government and its agents may inspect the property to ascertain whether the coveholder shall have any right, title or interest in or to the lien or any benefits hereof. (14) The Government may (a) extend or defer the maturity of, and renew and reschedule the payments on, the debt nants and agreements contained herea: or in any supplementary agreement are being performed. (14) The Government may (a) extend or deter the maturity of, and renew and rescricture 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 in the debt from liability to the Government (c) release portions 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 hable under the note or for the debt from liability to the Government, (c) release portions of the property and subordinate its under the note or for the debt from hability 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, and (d) waive any other of its rights under this instrument. Any and an unis can and will be done without alrecting 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 dot, secured by this instrument where the Covernment cave otherwise in writing. HOWEVED, and forbearance by the lien or the priority of this instrument or Borrower's or any other party's hability to the Government for payment of the note of debt secured by this instrument unless the Government says otherwise in writing. HOWEVER, any forbearance by the

or debt secured by this instrument unless the Government says otherwise in writing. HUWEVEK, 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 (15) If at any time it shall appear to the Government that borrower may be able to obtain a toan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for here for the land bank or other responsible cooperative or private credit source, and account such credit association, a rederal 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

for toans for simular 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 supported in a comparative funding accept in connection with such loan (16) Default hereunder shall constitute default under any other real estate or crop or chattel security instrument held with the Construment and executed or assumed by Borrower 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 neid or insured by the Government and executed or assumed by Borrower, and default under any such other security instrument purchased in a cooperative lending agency in connection with such loan.

(17) SHOULD DEFAULT occur in the performance or discharge of any obligation in this instrument or secured by (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 inschart of make an assignment for the benefit of architers, the Construment of its obligation with or without nation. shall constitute default hereunder.

uns 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 unread under the note and any indebtedness to the Covernment backy secured immediately (a) declare the entire amount unpaid under the note and any indebtedness to the Government hereby secured immediately (a) declare the entire amount unpaid under the note and any indebtedness to the Government nereby secured immediately due and payable, (b) for the account of Borrower incur and pay reasonable expenses for repair or maintenance of and take que 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 midance and without notice of basis of said explication, have a require exposited for the property, with the usual power 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 and remedies provided herein 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 (13) 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 Covernment coursed by the other liens for the following order to the Covernment coursed by the point liens to be the following order to the Covernment coursed by the inferior liens in the following order to the Covernment coursed by the point liens to be the following order to the Covernment coursed by the point liens to be the following order to the Covernment coursed by the point liens to be the following order to the Covernment coursed by the point liens to be the following order to the Covernment coursed by the point liens to be the following order to the Covernment coursed by the point liens to be the following order to the Covernment coursed by the point liens to be the following order to be the following order to the Covernment coursed by the point liens to be the following order to the Covernment course to be the following the point liens to be the following order to be the following order to be the following the point liens to be the following order to be the following the point liens to be the point of the following order to be the point of the following order to be the point of the following the point of the poi and remedies provided herein or by present or future law.

incident to enforcing or complying with the provisions hereoi, (b) any prior tiens 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 social courted by law or a computent court to be so will (c) at the Government's estimated by law or a competent court to be so will (c) at the Government's estimated by the total social debtedness of social courts of the courted by the total social court to be so will (c) at the Government's estimated by the total social courts of the court be so paid, (c) the acot evidencea by the note and all indeptedness to the Government secured hereby, (a) interior heres of frecord required by law or a competent court to be so paid, (e) at the Government's option, any other indebtedness of or record required by raw 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 Coursepond to court and its courts much bit and succhastic protocol and much and the Coursepond its courts and its court and its courts and it Borrower owing to or insured by the Government, and (1) any balance to Borrower. At foreclosure or other sale of an 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 graditing such appoint on any debte of Reprover owing to or insured by the Government in the

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 (19) Borrower agrees that the Government will not be bound by any present or future laws, (a) providing for valua-

(17) borrower agrees that the Government will not be bound by any present or future laws, (a) providing for valua-tion, appraisal, homestead of 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 only other statute of order prescribed above.

tion, appraisal, homestead of exemption of the property, (D) promoting maintenance of an action for a denotency judgment or limiting the amount thereof or the time within which such action may be brought, (c) prescribing any other statute of institutions (d) ellewing one right of redemution or preserving following any foreelestic role 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 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 relinguishes waives and conveys all rights inchaste or consummate of descent, dower, and curtesy transier of the property to a new borrower, borrower expressly waives the benefit of any such relinquishes, waives, and conveys all rights, inchoate or consummate, of 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 of property to be used as an owner completed dualing (barrie colled type dualing)) and if Borrower intende to call (20) If any part of the loan for which this instrument is given shall be used to mance the purchase, construction of repair of property to be used as an owner-occupied dwelling (herein called "the dwelling") and if Borrower intends to sell as the dwelling to de the dwelling (because the dwelling as the dwelling are the dwelling to de the dwelling and if Borrower intends to sell as the dwelling to de the dwelling and the dwelling are the dwelling and the dwelling are the dwelling and the dwelling are the dwelling are the dwelling are the dwelling and the dwelling are the dwellin repair of property to be used as an owner-occupied dwelling (nerein called "the dwelling") and it 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 Perrower will after require to a born fide offer refuse to practice for the relation reputil of the dwelling or will otherwise

or rent the awening and has obtained the Government's consent to do so (a) netwer porrower nor anyone authorized to act for Borrower will, after receipt of a bona fide offer, refuse to negotiate for the sale or rental of the dwelling or will otherwise make unavailable or dony the dwelling to anyone because of rece, color religion for or extinue train and (b) Borrower for Borrower will, after receipt of a bona 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 recursives as illowed and hareby disclaims, and will not comply with or attempt to enforce any contrasting compares on the make unavailable or deny the dwelling to anyone because of race, color, religion, sex, or national origin and (b) isorrower recognizes as illegal and hereby disclaims, and will not comply with or attempt to enforce any restrictive covenants on the dwelling relation to react adjustment of a constinual origin

(21) Borrower further agrees that the loan(s) secured by this instrument will be in default should any loan proceeds dwelling relating to race, color, religion, sex, or national origin.

(21) Borrower turtuer agrees that the toan(s) secured by this instrument will be in default should any toan proceeds be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 CFR Part 1940, Subpart G, Exhibit M. (22) This instrument shall be subject to the present regulations of the Farmers Home Administration, and to its future (23) Notices given hereunder shall be sent by certified mail, unless otherwise required by law, addressed, unless and (23) Notices given nercunder shall be sent by certified man, unless otherwise required by law, addressed, unless and units some other address is designated in a notice so given, in the case of the Government to Farmers Home Administration, United States Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the melling address mentioned above and in the case of Department of Arrivaluus at the case of the case of

regulations not inconsistent with the express provisions hereof.

until some other address is designated in a notice so given, in the case of the Government to rarmers nome Administration, United States Department of Agriculture, at the mailing address mentioned above, 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) 24) If any provision of this instrument or application hereof to any person or circumstances is held invald, such invalid and affect other provisions or applications of the instrument which can be given affect without the invalid (24) It any provision of this instrument or application hereof to any person or circumstances is new invalu, 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 and the provisions bereaf are deduced to be source be

address shown above). provision or application, and to that end the provisions hereof are declared to be severable.

	× CbO-1888-283-814	
	My Commission expires	
	Notary Public of and for the State of Orekon	
	(State of Incorporation) Corporation, on behalf of the corporation.	[Notary Seal]
	(Title of Corporate Officer)	(Name of Corporation)
	officer) day of day of	The foregoing instrument was ack by <u>(Name of Corporate o</u> of
		The foregoing instrument was ack
	VOITARORATION	COUNTY OF STATE OF ORECON
	CK NOWLEDCMENT OF A CORPORATION	A 77.172
	Notary Public of and for the State of Oregon	
	differenting b , (qinerenting to energy)	
		[Notary Seal]
	s acknowledged before me this	ν τομαμάρο το source λq 61
	:SS	The foregoing increase
	ACKNOWLEDCMENT FOR A PARTNERSHIP	COUNTYOF CONC
	My Commission expires 3/14/93	
	- al and 101 the State of Oregon	
	KOBLER A. HOREEN	
·		[Notary Seal]
	t was acknowledged before me this Masten and Connie S. Masten husband and wife	
	STVDGIAIGNI BOB INDIAIDAVES	STATE OF OREGON COUNTY OF KLAII
	VCR NOMPED VCR	
		[Corporate Seal]
en la	Contra Martin	Allest:
1	- Mot It way	By:
·	(s)leubivibul	
-61	hip or Corporation date of	Partners
		EXECUTED this

A STATE OF A

Exhibit A to Real Estate Mortgage for Oregon

FORM APPROVED OMB NO. 0575-0133

FmHA Instruction 1951-S Exhibit C to Subpart S

6404

NET RECOVERY BUY OUT RECAPTURE AGREEMENT

In consideration of the Farmers Home Administratino (FmHA) allowing me/us to In consideration of the Farmers Home Administratino (FmHA) allowing me/us to purchase the real estate property securing my/our FmHA Farmer Program loan obligatinos at the net recovery value of \$89830.00 in accordance with FmHA Instruction 1951-S, I/we agree to pay to difference between the net recovery value of the security of \$89830.00 and the fair market value of the receivery estate property of \$120,000.00 as of the date of this agreement, if/we sell or otherwise convey the security within 2 years of this agreement for an amount which exceeds the net recovery value. This amount is \$30.170.00 I amount which exceeds the net recovery value. This amount is \$30,170.00. further agree to give FmHA a mortgage or deed of trust to secure this amount for the best lien obtainable which will be subordinate to any purchase money security instrument which does not exceed the fair market value of the property to enable the borrower to purchase the property from FmHA at the net recovery value. This mortgage or deed of trust will be released 2 years from the date of this agreement if I/we do not sell or convey the property during

I/We understand that the difference between the net recovery value of the real estate securing the FmHA loan obligations and the fair market value of the real estte security specified above will all be due and payable on the day of sale or conveyance if I/we sell or otherwise convey the real estate property within two (2) years from the date of this agreement, if I/we realize a gain

Loan Balance \$ 254,991.95

Amount of Buyout \$89,830.00

4/7/89 Date of Agreement

KENNETH D MASTEN BORROWER MOLE S. Masten

Onnie S. CONNIE S. Borrower

STATE OF OREGON: COUNTY OF KLAMATH: SS. Filed for record at request of ____ of ______April _____A.D., 19 89 at _____3:45 ____o'clock ____PM., and duly recorded in Vol. _____M89 _ day on Page _____6400 FEE \$28.00 Evelyn Blehn . County Clerk By Deaulice Musicana Return: A.T.C.