

FCB 697A (Rev. 7-88)

FCB Loan No. F-220657-0
030311 321 01MTC-21202K
FARM CREDIT BANK MORTGAGE

KNOW ALL MEN BY THESE PRESENTS, That on May 25, 1989

Gary Lee Voight and Shirley Renee' Voight, husband and wife; _____

hereinafter called the Mortgagors, hereby grant, bargain, sell, convey and mortgage to FARM CREDIT BANK OF SPOKANE, a corporation,
whose address is West 601 First Avenue, TAF-C5, Spokane, Washington 99220-4005, hereinafter called the Mortgagee, the following described
real estate in the County(ies) of Klamath
State of Oregon

The description of real property covered by this mortgage is attached below.

'89 JUN 5 PM 4 33

The Easterly 634 feet of Government Lot 8; all of Government Lot 9; the Easterly 634 feet of the NW1/4SE1/4; the Easterly 634 feet of the SW1/4SE1/4; the SE1/4SE1/4 of Section 13; the SE1/4, the N1/2NE1/4 of Section 24; the N1/2NE1/4 of Section 25, all in Township 39 South, Range 10 East of the Willamette Meridian.

Government Lot 9, Section 19, Township 39 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, EXCEPTING therefrom that portion conveyed to Edward E. Jamison and Minnie R. Jamison and Minnie R. Jamison, being a one-acre parcel, more or less, and being more particularly described as follows:

Beginning at the SE1/4 of Lot 9, Section 19, Township 39 South, Range 11 1/2 East of the Willamette Meridian; thence West along the South line of said Lot 9, 200 feet; thence North at right angles to the South line of said Lot 9 to Lost River, thence Southeasterly up Lost River to the place of beginning.

Government Lot 10, Section 19, Government Lots 3 and 4, the SE1/4SW1/4 of Section 30, Government Lot 1; the NE1/4NW1/4; SW1/4NE1/4; SE1/4NW1/4 of Section 31, all in Township 39 South, Range 11 1/2 East of the Willamette Meridian.

EXCEPTING THEREFROM those portions lying within the boundaries of canals and ditches conveyed to the United States by instruments recorded in Volume 38, page 518 and Volume 38, page 519, Deed Records of Klamath County, Oregon.

ALSO EXCEPTING THEREFROM a tract of land situated in Government Lot 9 and the SE1/4SE1/4 of Section 13, Township 39 South, Range 10 East of the Willamette Meridian, and in Government Lots 9 and 10 of Section 19, Township 39 South, Range 11 1/2 East of the Willamette Meridian, more particularly described as follows:

Beginning at a point on the centerline of the South Poe Valley Road from which the Southeast corner of said Section 13 bears South 64°57'52" West 490.58 feet; thence North 06°38'27" East 443.42 feet to the center of the Spring Ditch; thence Northwesterly, along the center of said Ditch, to a point that bears North 59°35'22" West 1250.00 feet from the last said point; thence North 03°36'45" East 894.13 feet to a 5/8 inch iron pin with Tru-Line Surveying plastic cap; thence North 36°57'20" West 118.91 feet to a 5/8 inch iron pin with Tru-Line Surveying plastic cap; thence North 14°25'40" East 406.75 feet to a 5/8 inch iron pin with Tru-Line Surveying plastic cap; thence continuing North 14°25'40" East 5 feet, more or less, to the Mean High Water Line, of Lost River, thence Southeasterly, along said Mean High Water Line, to a point on the West line of that tract of land in Government Lot 9 of said Section 19, described in Deed Volume M86 pages 8496 and 8497; thence Southerly, along said West line, to the Southwest corner of said tract; thence Westerly, along the South line of said Government Lot 9, to a point on the centerline of said South Poe Valley Road; thence Northwesterly, along said centerline, to the point of beginning. With bearings based on Recorded Survey No. 4098, as recorded in the office of the Klamath County Surveyor.

Tax Account Nos: 3910 00000 02300; 3910 00000 02500;
3910 00000 02600; 3910 01300 00700; (portion)
3911 V0000 06500; 3911 V0000 06600;
3911 V1900 00400 (portion); 3911 V3000 00400.

Hereby granting and mortgaging to mortgagee a 30 foot easement across lands owned by mortgagor for use of a spring and spring ditch supplying the herein mortgaged property with irrigation water for farming purposes together with ingress and egress for the purpose of operation, repair and maintenance of said spring ditch, said easement described as follows:✓

INITIALS: *SV*, *SLV*.

Beginning at a point which is approximately North $64^{\circ}57'$ East 490.58 feet and North $6^{\circ}38'$ East 443.42 feet from the Southeast corner of Section 13, Township 39 South, Range 10 East of the Willamette Meridian, to the center of an existing spring ditch, which is the true point of beginning, thence running in a Southeasterly direction along the center of the existing spring ditch 300 feet more or less to the spring source, which easement is to be appurtenant to the lands herein mortgaged. ✓

INITIALS: John sen.

including all leases, permits, licenses or privileges, written or otherwise, appurtenant or nonappurtenant to said mortgaged premises, now held by Mortgagors or hereafter issued, extended or renewed to them by the United States or the State or any department, bureau, or agency thereof, which have been or will be assigned or waived to Mortgagee.

Together with the tenements, hereditaments, rights, privileges and appurtenances, including private roads, now or hereafter belonging to or used in connection with the above described premises; and all plumbing, lighting, heating, cooling, ventilating, elevating, watering and irrigating apparatus and other fixtures, now or hereafter belonging to or used in connection with the above described premises, all of which are hereby declared to be appurtenant to said land; and together with all waters and water rights of every kind and description and however evidenced, and all ditches or other conduits, rights therein and rights of way therefor, which now are or hereafter may be appurtenant to said premises or any part thereof, or used in connection therewith.

This conveyance is intended as a mortgage securing the performance of the covenants and agreements hereinafter contained, and the payment of the debt represented by one promissory note made by the Mortgagors to the order of the Mortgagee, of even date herewith, for the principal sum of \$88,400.00, with interest as provided for in said note, being payable in installments, the last of which being due and payable on the first day of June, 2024.

MORTGAGORS COVENANT AND AGREE:

That they are lawfully seized of said premises in fee simple, have good right and lawful authority to convey and mortgage the same, and that said premises are free from encumbrance; and each of the Mortgagors will warrant and defend the same forever against the lawful claims and demands of all persons whomsoever, and this covenant shall not be extinguished by any foreclosure hereof, but shall run with the land.

To pay all debts and money secured hereby when due.

To keep the buildings and other improvements now or hereafter existing on said premises in good repair; to complete without delay the construction on said premises of any building, structure or improvement in progress, any improvements to existing structures in progress, and any improvements or remodeling for which the loan hereby secured was granted in whole or in part; not to remove or demolish or permit the removal or demolition of any building thereon; to restore promptly in a good and workmanlike manner any building, structure or improvement thereon which may be damaged or destroyed; to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property and its use; not to use or permit the use of said premises for any unlawful or objectionable purpose; not to cut or permit the cutting of timber from said premises except for domestic use; to maintain and cultivate the premises in good and husbandlike manner, using approved methods of preserving the fertility thereof; to keep the orchards on said lands properly irrigated, cultivated, sprayed, pruned and cared for; not to commit or suffer waste of any kind upon said premises; and to do all acts or things necessary to preserve all water rights now or hereafter appurtenant to or used in connection with said premises.

To pay before delinquency all taxes, assessments and other charges upon said premises, all assessments upon water company stock, and all rents, assessments and charges for water appurtenant to or used in connection with said property; and to suffer no other encumbrance, charge or lien against said premises which is superior to this mortgage.

To keep all buildings now existing or hereafter erected continuously insured against loss or damage by fire and such other risks in manner and form and in such company or companies and in such amounts as shall be satisfactory to the Mortgagee; to pay all premiums and charges on all such insurance when due; to deposit with the Mortgagee upon request all insurance policies affecting the premises, with receipts showing payment of all premiums and charges affecting said policies; and that all insurance whatsoever affecting the premises shall be made payable, in case of loss, to the Mortgagee, with a loss payable clause in favor of and satisfactory to the Mortgagee. The Mortgagee shall be entitled to receive the proceeds of any loss under any such policy which may be applied by the Mortgagee upon the indebtedness hereby secured in such manner as it may elect.

If any of the mortgaged property shall be taken under right of eminent domain, the Mortgagee shall be entitled at its option to receive all compensation for the portion taken and damages to the remaining portion, to be applied by the Mortgagee upon the indebtedness hereby secured in such manner as it shall elect.

Should the Mortgagors be or become in default in any of the covenants or agreements herein contained, then the Mortgagee (whether electing to declare the whole indebtedness hereby secured due and payable or not) may, at its option, perform the same in whole or in part and all expenditures made by the Mortgagee in so doing, together with interest and costs, shall be immediately repayable by the Mortgagors without demand, shall be secured by this mortgage, and shall draw interest until paid at the default rates provided for in the note hereby secured.

Time is material and of the essence hereof; and in case of breach of any of the covenants or agreements hereof, or if default be made in the payment of any of the sums hereby secured, or if the whole or any portion of said loan shall be expended for purposes other than those specified in the original application therefor except, by the written permission of said Mortgagee, or if said land or any portion thereof shall be hereafter included in any special assessment district, then, in any such case, all indebtedness hereby secured, shall, at the election of the Mortgagee, become immediately due without notice, and this Mortgage may be foreclosed; but the failure of the Mortgagee to exercise such option in any one or more instances shall not be considered as a waiver or relinquishment of the right to exercise such option upon or during the continuance of the same or any other default.

In case of any suit to foreclose this mortgage or to collect any charge growing out of the debt hereby secured, or any suit or bankruptcy proceeding which the Mortgagee may deem it necessary to prosecute or defend to effect or protect the lien hereof, the Mortgagors agree to pay a reasonable sum as attorney's fees and all costs and legal expenses in connection with said suit or proceeding, and further agree to pay the reasonable costs of searching records and abstracting or insuring the title, and such sums shall be secured hereby and included in the decree of foreclosure.

Upon or during the continuance of any default hereunder, the Mortgagee shall have the right forthwith to enter into and upon the mortgaged premises and take possession thereof, and collect the rents, issues and profits thereof, and apply the same, less reasonable costs of collection, upon the indebtedness hereby secured, and the Mortgagee shall have the right to the appointment of a receiver to collect the rents, issues and profits of the mortgaged premises. The rents, issues and profits of said premises after default are hereby assigned and mortgaged to the Mortgagee as additional security for the indebtedness herein described.

This mortgage and the note secured hereby are executed and delivered under and in accordance with the Farm Credit Act of 1971 and any acts amendatory or supplementary thereto and the regulations of the Farm Credit Administration, and are subject to the terms, conditions and provisions thereof applicable to Farm Credit Bank loans.

The covenants and agreements herein contained shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

The promissory note described above, which is secured by this Mortgage, provides for indexing and adjustment of the interest rate, payment terms and balance due on the obligation. A Rider summarizing the terms and provisions of said note is attached hereto as Exhibit "1" and by reference at this place incorporates the terms thereof.

Each mortgagor agrees to provide to the mortgagee annually, within 90 days of the end of each mortgagor's fiscal year, in a form prescribed by or acceptable to the mortgagee, a current balance sheet and a current income and expense statement certified by mortgagor to be complete and accurate.

The obligations secured by this Mortgage are personal to the Mortgagor(s) and are not assignable by the Mortgagor(s). When making the loan secured by this Mortgage, the Mortgagee relied upon the credit of the Mortgagor(s), the interest of the Mortgagor(s) in the premises, and the financial market conditions then existing. In the event of any transfer, sale or conveyance, or contract to transfer, sell or convey the title to all or any part of the premises, or of all or any part of the stock or ownership interest in any corporation, partnership, or other entity owning all or any part of the premises, whether voluntary, involuntary or by operation of law, without Mortgagee's prior written consent, Mortgagee may declare the entire balance then remaining unpaid on all the obligations secured by this Mortgage immediately due and payable.

WHEREAS, Mortgagors have assigned or waived, or will assign or waive to the Mortgagee, as additional security for the indebtedness described herein, certain grazing leases, permits, licenses and/or privileges, to-wit:

BLM Grazing Privileges for 24 AUMS

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Mortgagors covenant and agree that they are the lawful owners and holders thereof and that they are free from encumbrance and have not been assigned; and Mortgagors further covenant and agree to procure renewals thereof upon or prior to their expiration date, to execute any instrument deemed by the Mortgagee necessary to effect an assignment or waiver of such renewals to the Mortgagee, and to pay all fees and charges, and to perform all acts and things necessary to preserve and keep in good standing all of said leases, permits, licenses and/or privileges, and all renewals thereof; and they will take no action which would adversely affect any of such rights or their preference status thereunder and that in the event of foreclosure of this mortgage they will waive all claims for preference in any of such rights upon demand from the purchaser of the mortgaged property at foreclosure sale, or any successor to such purchaser; and further agree that the lands covered by said leases, permits, licenses and/or privileges and renewals thereof, shall at all times be operated in conjunction with the lands hereby mortgaged, and that neither shall be transferred to any other person separately from the other. Any leases, permits, licenses and/or privileges which the Mortgagor, with the consent of the Mortgagee, shall substitute for those hereinabove mentioned, shall be subject to the provision hereof. For any breach by Mortgagors of any covenant or agreement in this paragraph contained, the Mortgagee shall have the same rights and/or remedies as are available to it for the breach of any other covenant or agreement of the Mortgagors in this mortgage contained, including but not limited to the right to declare the entire mortgage debt due and payable.

Mortgagors also covenant and agree that the terms and provisions of this rider, and the waiver or assignment of mortgagors' interest in said leases, permits, licenses and/or privileges shall also apply and be binding on mortgagors with respect to any extended, supplemental, additional, or other related mortgage transaction made with respect to this loan.

As used herein, any reference to mortgage, Mortgagor, Mortgagee, or mortgaged shall also be construed to mean deed of trust, Grantor, Beneficiary, or conveyed, respectively.

This rider is attached to and made a part of a mortgage to Farm Credit Bank of Spokane, a corporation, executed by the undersigned, dated May 25, 1989

Gary Lee Voight

Shirley Renee Voight

NOTARY PUBLIC
STATE OF TEXAS
J. L. REDD & ROBERTO

On this 3/5th day of May, 1987, before me personally appeared Gary Lee Voight and Shirley Renee Voight, husband & wife, described in and who executed the within instrument, and acknowledged that he/she/they executed the same as his/her/their free act and deed.

[illegible]

IN WITNESS WHEREOF, The mortgagors have hereunto set their hands the day and year first above written.

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EXHIBIT 1

VARIABLE RATE RIDER

THIS VARIABLE RATE RIDER ("Rider") is made this 25th day of May, 1989 and is incorporated into and amends and supplements that certain Mortgage dated May 25, 1989 for the purpose of providing notice of the terms and provisions of the obligations evidenced by that certain Note (the "Note") given by the Borrower to Farm Credit Bank of Spokane ("Bank") or Bank's predecessor in merger, The Federal Land Bank of Spokane, dated May 25, 1989 for the principal sum of Eighty-eight Thousand Four Hundred and no cents (\$88,400.00). The terms of the Note provide that the interest rate, payment terms or amounts due under the Note may be indexed, adjusted, renewed or renegotiated upon subsequent written agreement of the parties.

INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate and changes in the interest rate and the payments, as summarized below and pursuant to the default provisions of the Note.

- (a) Real Estate Variable Base Agricultural Rate: The Real Estate Variable Base Agricultural Rate ("Variable BAR") is a per annum interest rate determined from time to time by Bank in its sole discretion. The Variable BAR may be higher than the lowest interest rate charged by Bank for variable interest rate loans.
- (b) Variable Interest Rate Changes: Borrower shall pay interest on the Adjusted Principal Balance on and after each change in the Variable BAR at the per annum interest rate equal to the sum of the Variable BAR in effect on such date plus or minus a constant as described in the Note.
- ☐ (c) Partially Fixed Interest Rate: If checked, the initial interest rate of the Note shall remain in effect until the first day of _____, after which the interest shall be changed to a variable interest rate as described in Section 1(a) and (b) above. The partially fixed interest rate may increase in the event of default.

RETURN: MTC

[Handwritten signature]

STATE OF OREGON,
County of Klamath ss.

Filed for record at request of:

Mountain Title Co.
on this 5th day of June A.D. 19 89
at 4:33 o'clock PM. and duly recorded
in Vol. M89 of Mortgages Page 9913
Evelyn Biehn County Clerk
By Quentin Muelendaele
Deputy.

Fee, \$38.00