

REAL ESTATE MORTGAGE

THE MORTGAGORS, James W. Barnes, a divorced man

hereinafter called the mortgagors hereby mortgage to First-McNess Company, an Illinois corporation with principal offices at Freeport, Illinois, and having a branch office in Oakland, California, hereinafter called the MORTGAGEES, the following described real estate situated in the County of Skamania State of Washington to wit:

The North Half of the Northwest Quarter ($N\frac{1}{2}$ NW $\frac{1}{4}$) of Section 17, Township 1 North, Range 5 East of the Willamette Meridian; EXCEPT the Northeast Quarter ($NE\frac{1}{4}$) of the Northeast Quarter ($NE\frac{1}{4}$) of the Northwest quarter ($NW\frac{1}{4}$) of the said Section 17, according to the records of said County by deed appearing in Book X of Deeds page 70 and except county roads.

together with the tenements, hereditaments, rights, privileges and appurtenances, now or hereafter belonging to or used in connection with the premises.

This mortgage is executed to secure the performance by the mortgagors of that certain sales and surety agreement executed of even date herewith whereby the mortgagors agree in substance, that in consideration of the mortgagees extending credit to one James W. Barnes of Portland, Oregon they do jointly and severally and unconditionally guarantee payment to the mortgagees, their successors, and assigns, for all products sold by said mortgagees on credit to the said James W. Barnes and charged to his account under terms of a sales agreement executed of even date herewith between the mortgagees and the said James W. Barnes or under any subsequent agreement between the mortgagees and the said James W. Barnes.

The mortgagors agree to pay, as the same become or appear to become due, all taxes, assessments, liens, and all encumbrances which may now or hereafter exist or appear to exist or be imposed upon the mortgaged premises, and to protect said premises from sale therefor; and to keep the buildings now or hereafter erected insured against loss by fire in such company as the mortgagees shall approve and in a sum of not less than \$1,000.00 and by policy to be delivered to and in which loss shall be made payable to the mortgagees; and to maintain said premises in good condition and good repair and to make such repairs on said premises as may be required by the mortgagees.

If the mortgagors shall fail to pay at maturity any of the obligations or perform any of the covenants aforesaid the mortgagees or their assigns, may, at their option and without notice to the mortgagors, pay and discharge all such taxes, assessments, liens and encumbrances, agreed to be paid and discharged by the mortgagors (and mortgagees shall be the sole judge of the legality or validity of such taxes, assessments, liens and encumbrances) and effect said insurance and do all acts as they may deem best for the repair and protection of the mortgaged premises and all such expenditures shall become immediately repayable by the mortgagors without demand and together with interest and costs accruing thereon, shall be secured by this mortgage.

The mortgagees, their successors and assigns, are hereby authorized, without notice to the mortgagors, to prosecute, defend, compromise, purchase and settle any adverse suits, liens, encumbrances or claims affecting the mortgaged property and all expenditures of the mortgagees hereunder, including attorney's fees, shall become immediately repayable by the mortgagors without demand and shall be secured by this mortgage.