

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.....

Fifty-five Hundred.....Dollars (\$5500.00.....),

with interest thereon from date at the rate of  $5\frac{1}{2}\%$  per annum on the principal sum from time to time remaining unpaid, payable to the mortgagee at its office in the City of Spokane, State of Washington, as follows:

Interest only payable on.....19.....and.....annually thereafter to  
and including.....19.....Thereafter: 19.....equal.....annual payments

of \$460.24.....each, payable on the first day of November.....and.....in each year.

beginning on the first day of.....November.....1962, and a final payment of \$460.24....., payable on

the first day of.....November.....1981, unless matured sooner by extra payments on principal; each of  
said payments shall be applied first to interest, then to principal. All payments not made when due shall bear  
interest thereafter until paid at six per cent per annum.

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 war-  
rant 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 moneys secured hereby when due;

To keep the buildings and other improvements now or hereafter existing on said premises in good repair  
and not to remove or demolish or permit the removal or demolition of any thereof; not to cut or permit the  
cutting of timber from said premises except for domestic use; to maintain and cultivate the premises in a good  
and husbandlike manner, using approved methods of preserving the fertility thereof; to keep the orchards on  
said land properly irrigated, cultivated, sprayed, pruned and cared for; not to commit or suffer waste of any kind  
upon said premises; not to use or permit the use of said premises for any unlawful or objectionable purpose; and  
to do all acts and things necessary to preserve all water rights now or hereafter appurtenant to or used in con-  
nection with said premises;

To pay when due all taxes and assessments upon said premises and to deliver to the mortgagee proper  
receipts therefor; and to suffer no other lien or encumbrance prior to the lien of this mortgage to exist at any  
time against said premises;

To keep all buildings insured against loss or damage by fire in manner and form and in such company or com-  
panies and in such amount as shall be satisfactory to the mortgagee; to pay all premiums and charges on all  
such insurance when due; to deposit with the mortgagee all insurance policies affecting the mortgaged premises,  
with receipts showing payment of all premiums and charges affecting said policies; and that all insurance whatso-  
ever affecting the mortgaged premises shall be made payable, in case of loss, to the mortgagee, with a mortgagee  
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, if not used in accordance with the regulations of the Farm Credit Adminis-  
tration for reconstruction of the buildings damaged or destroyed, may be applied by the mortgagee upon the in-  
debtedness hereby secured in such manner as it shall elect.

If any of the mortgaged property shall be taken under right of eminent domain, the mortgagee shall be en-  
titled 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 shall draw interest at the rate of 6 per cent per annum, and shall be immediately repayable by the mortga-  
gors without demand, and, together with interest and costs accruing thereon, shall be secured by this mortgage.

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 relin-  
quishment 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 se-  
cured, or any suit 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 con-  
nection with said suit, 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