

real property therein described, the terms of which Mortgage are made a part hereof. It is hereby agreed that if default be made in the payment of any part of said principal or of the interest on this note or any part thereof, or if failure be made to perform any of the covenants and agreements contained in the said instrument securing this note, then, at the option of the holder of this note, the principal sum, with accrued interest, shall at once become due and collectible without notice, time being of the essence of this contract, and said principal sum shall bear interest at the rate of eight per centum per annum from the date of such default till paid. And it is also agreed that in case suit or action is instituted to collect this note, or any portion thereof, the maker of this note shall pay such additional sum as the Court may adjudge reasonable as an attorney's fees in such suit or action.

This contract is to be construed in all respects and enforced according to the laws of Oregon.

(Signed) Anthony R. Gangloff  
Mary C. Gangloff.

The above is an exact copy of the second note for the same amount, excepting said second note is due and payable on or before the 18th day of December, 1908.

Now Therefore, These presents are made upon the following express condition, that if the Mortgagor shall pay to the Mortgagee, all and every sum of money specified in said notes, with interest thereon, according to the tenor and effect of the said notes and shall keep and perform all and singular the covenants and agreements herein contained for the Mortgagor to keep and perform, then these presents shall cease and be void, but otherwise shall remain in full force and effect. And the Mortgagor hereby covenants and agrees with the Mortgagee as follows:

First: That the said premises are free and clear of all liens, or incumbrances and that the Mortgagor will warrant and defend the same unto the Mortgagee forever, against the lawful claims and demands of all persons, whosoever. Second: That the Mortgagor will pay the principal sum and the interest hereinbefore referred to and described promptly as they become due. Third: That so long as said notes shall remain unpaid in whole or in part the Mortgagor will pay all taxes, assessments and other charges that may be levied or assessed upon or against the said premises at least ten days before they become delinquent.