

released, conveyed and confirmed, and by these presents do bargain, sell, alien, release, convey and confirm unto the said party of the second part, his heirs and assigns forever, all the following described property, to-wit: Beginning at the Northeast corner of the south half of the Northeast quarter of Section 18 in Township three North of Range 8 East of Willamette Meridian; from thence West along the north line of said South half of said Northeast quarter section one hundred and sixty rods more or less to the line running north and south through the center of said section 18 and dividing the east half from the west half thereof; thence south along said last mentioned line sixty rods; thence east on a line parallel with said north line of said south half of said Northeast quarter section and sixty rods distant therefrom one hundred and sixty rods more or less to the section line running north and south between section 18 and section 17 of same township and range; and from thence north along said last named section line sixty rods to place of beginning; containing 60 acres more or less; excepting therefrom the right to use 2 miners inches of water from a spring on westerly portion of above conveyed land and also a right of way from said spring through said land for a pipe to conduct said water from said spring over granted land. It is also understood and agreed that the timber growing on said land is not to be cut and removed from the place faster than the land is cleared and put into cultivation until the debt hereby secured is paid, but nothing herein shall prohibit mortgagor to use such timber for improvements of place or for fuel for his own use Together with the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining; and also the estate, right title and interest of the said parties of the first part, of, in and to the same.

To Have and To Hold the hereinbefore granted, bargained and described premises, with the appurtenances unto the said party of the second part his heirs and assigns forever.

THIS CONVEYANCE is intended as a mortgage to secure the payment of the sum of One Thousand Dollars (\$1000.00) in accordance with the tenor of his certain promissory note of which the following is a substantial copy to-wit:

\$1000.00

Portland, Oregon, Dec. 13th 1909

Six months after date, without grace We promise to pay to the order of James Newlands One Thousand Dollars For value received, with interest after date at rate of 8 per cent per annum until paid. Principal and interest payable in U.S. Gold Coin, at Portland, Oregon and in case suit or action is instituted to collect this note or any portion thereof we or either of us promises to pay such sum as the Court may adjudge reasonable as attorney's fee in said suit or action.

No _____

William H. Schulze

Due May 13th 1910

Minnie Schulze

Now Therefore, If the said promissory note, principal, interest and attorney's fees shall be paid when the same shall become due, according to the terms and conditions of said promissory note and of this indenture, then this indenture shall be void, but in case default shall be made in the payment of the principal or interest or attorney's fees, mentioned in said promissory note or any part thereof, or in case default shall be made in the payment of any sum that may become due and payable, as hereinafter provided, then the party of the second part his executors, administrators and assigns, are hereby empowered to sell the premises above described, with all and every of the appurtenances or any part thereof, in the manner prescribed by law, and out of the money arising from said sale to retain the said principal and attorney's fees, and such other sum or sums as may be due hereunder, together with the costs and charges of making such sale; and the overplus, if any, pay on demand to the parties of the first part their heirs and assigns.

It is expressly understood and agreed, that such premises are and shall be kept