

The South half of the Southwest Quarter of Section Sixteen, Township Three North, Range Ten East of the Willamette Meridian.

The East Half of the Northeast Quarter of the Northwest Quarter, the East Half of the Southeast Quarter of the Northwest Quarter, the East Half of the Northeast Quarter of the Southwest Quarter, and the North Half of the Southwest Quarter of the Northeast Quarter of Section Twenty-one, Township Three North, Range Ten East of the Willamette Meridian.

Except: A tract of land in the East Half of the North Half of the Southwest Quarter of the Northeast Quarter of Section Twenty-one, Township Three North, Range Ten East of the Willamette Meridian, more particularly described as follows: Beginning at an existing iron pipe at the intersection of an old fence running due east and west, and due north and south, said point being the northeast corner of the East Half of the North Half of the Southwest Quarter of the Northeast Quarter of Section Twenty-one, Township Three North, Range Ten East of the Willamette Meridian, which point is the true point of beginning; thence South 660 feet to the intersection of an old fence, thence running due west along old fence a distance of 540.6 feet, thence due north a distance of 660 feet, thence due east a distance of 540.6 feet to the true point of beginning, said exception containing 8.19 acres,

together with the tenements, hereditaments, rights, privileges and appurtenances, including private roads, now or hereafter existing or used in connection with the above described premises; together with all buildings, lighting, heating, cooling, ventilating, elevating, watering, and irrigating apparatus, stationary scales 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 thereon, 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 ----Fifteen Thousand ----Dollars (\$15,000.00), with interest thereon from date at the rate of 4% 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 January 1st, 1952,. Thereafter 68 equal semi-annual payments of \$402.70 each, payable on the first day of January and July in each year, beginning on the first day of July, 1952, and a final payment of \$402.70, payable on the first day of July, 1986, 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 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 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