

It is agreed that this mortgage, without affecting its validity as a real estate mortgage, is also executed and shall be construed as a Security Agreement and as a Fixtures Financing Statement under the Oregon Uniform Commercial Code, granting to Mortgagee a security interest in the personal property collateral described herein and in the goods described herein which are fixtures or are to become fixtures. In addition to the rights and remedies provided herein, Mortgagee shall have all the rights and remedies granted by such Code; and reasonable notice, when notice is requested, shall be five (5) days.

For the purpose of a Fixtures Financing Statement, the debtors are the Mortgagors, the secured party is the Mortgagee, the address of the secured party from which information concerning the security interest may be obtained is 900 Klamath Avenue, P. O. Box 148, Klamath Falls, Oregon 97601, and the mailing address of the debtors is Route 1, Box 868, Klamath Falls, Oregon 97601.

WHEREAS, mortgagors have assigned or waived, or will assign or waive to the mortgagee, as additional security for the indebtedness described herein, certain grazing leases, permits, licenses and/or privileges, to-wit:

Fremont National Forest Grazing Privileges for 1525 sheep from June 21 to September 25; 120 cattle from June 16 to September 15; and 240 cattle from June 16 to September 15

mortgagors covenant and agree that they are the lawful owners and holders thereof and that they are free from encumbrance and have not been assigned; and mortgagors further covenant and agree to procure renewals thereof upon or prior to their expiration date, to execute any instrument deemed by the mortgagee necessary to effect an assignment or waiver of such renewals to the mortgagee, and to pay all fees and charges, and to perform all acts and things necessary to preserve and keep in good standing all of said leases, permits, licenses, and/or privileges, and all renewals thereof; and they will take no action which would adversely affect any of such rights or their preference status thereunder and that in the event of foreclosure of this mortgage they will waive all claims for preference in any of such rights upon demand from the purchaser of the mortgaged property at foreclosure sale, or any successor to such purchaser; and further agree that the lands covered by said leases, permits, licenses and/or privileges and renewals thereof, shall at all times be operated in conjunction with the lands hereby mortgaged, and that neither shall be transferred to any other person separately from the other. Any leases, permits, licenses and/or privileges which the mortgagor, with the consent of the mortgagee, shall substitute for those hereinabove mentioned, shall be subject to the provision hereof. For any breach by mortgagors of any covenant or agreement in this paragraph contained, the mortgagee shall have the same rights and/or remedies as are available to it for the breach of any other covenant or agreement of the mortgagors in this mortgage contained, including but not limited to the right to declare the entire mortgage debt due and payable.

ST. This rider is attached to and made a part of mortgage to the Federal Land Bank of Spokane, a corporation, executed by the undersigned, dated May 18 1977.

By James B. O'Connor FRANCES O'CONNOR ENTERPRISES, INC.
 to James B. O'Connor
 (th) John D. O'Connor President
John D. O'Connor Secretary

On this 23rd day of May A. D. 1977, before me, a Notary Public in and for the above named County and State, personally appeared James B. O'Connor and John D. O'Connor to me known to be the President and

Secretary respectively of the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and each on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Return to
 Box 148
 Klamath Falls, Ore. 97601

Alberta B. Sharp
 Notary Public for the State of Oregon
 Residing at Klamath Falls

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 29 day of July A.D., 1977 at 11:18 o'clock A M., and duly recorded in Vol. M 77 of MORTgages on Page 13607.

WM. D. MILNE, County Clerk

By John D. O'Connor Deputy

13613

IN WITNESS WHEREOF, The mortgagors have hereunto set their hands the day and year first above written.

James B. O'Connor
James B. O'Connor
John D. O'Connor
John D. O'Connor

FRANCES O'CONNOR ENTERPRISES, INC.
By: James B. O'Connor President
Attest: John D. O'Connor Secretary

STATE OF Oregon } ss.
County of Klamath
James B. O'Connor; John D. O'Connor;

On May 23, 1977, before me personally appeared

to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged that (he) (she) (they) executed the same as (his) (her) (their) free act and deed.

STATE OF Oregon } ss.
COUNTY OF Klamath

My Commission Expires Oct. 30, 1980

On this 23rd day of May, A. D. 1977, before me, a Notary Public in and for the above named County and State, personally appeared James B. O'Connor President and John D. O'Connor to me known to be the

Secretary respectively of the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and each on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Alberta B. Sharp
Notary Public for the State of Oregon
Residing at Klamath Falls

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 29 day of July, A.D., 19 77 at 11:18 o'clock A M., and duly recorded in Vol M 77, of Mortgages on Page 13607.

FEE 21.00

WM. D. MILNE, County Clerk
By Harold D. Dwyer Deputy