



REC'D. DATE NO. 5374 Filed 1425

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INTERSTATE COMMERCE COMMISSION

U. S. GOVERNMENT  
SMALL BUSINESS ADMINISTRATION  
THE FEDERAL BUILDING  
400 NORTH 8TH STREET  
RICHMOND, VIRGINIA 23240

1 5374 Filed 1425

November 3 1987

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RECORDATION NO. 5374 Filed 1425

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INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission  
Suite 230  
12th & Constitution Avenue, N. W.  
Washington, D.C. 20423  
Attn: Mildred Lee

NOV 9 1987 -4 20 PM

INTERSTATE COMMERCE COMMISSION

1 5374 Filed 1425

Re: Documents for Recordation  
SBA Loan Name: Covington-Alleghany

NOV 9 1987 -4 20 PM

11/9/87  
no fee

Dear Ms. Lee:

INTERSTATE COMMERCE COMMISSION Washington, D. C.

I have enclosed originals, certified copies, and three additional copies of the documents described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

These documents constitute Deed of Trust, dated February 18, 1974, three (3) Security Agreements, executed February 19, 1979, and Financing Statement, dated February 18, 1974. These are primary documents. Please note that Security Agreements and Financing Statement have been endorsed by Mountain National Bank, assigning all its rights, title and interest to the Small Business Administration.

We respectfully request that these documents be cross-indexed showing secured party and its assign, namely the Mountain National Bank and Small Business Administration, respectively.

The names and addresses of the parties to these instruments are as follows:

Debtor: Jack D. Showalter and Mary F. Showalter, his wife, Individually and d/b/a Barber, Intervale & Gathright Scenic Railroad.  
Westgate  
Clifton Forge, Virginia 24422

Secured Creditors: The Mountain National Bank/Small Business Administration, Federal Building, 400 N. 8th Street, Richmond, Virginia 23240

A description of the equipment covered by these documents are as described in full on Exhibit A, attached to the Financing Statement.

A fee of \$50.00 is enclosed. Please return the originals and any extra copies not needed by the Commission for recordation to Sally Yates Wood, General Attorney, Small Business Administration, P.O. Box 10126, Richmond, Virginia 23240.

A short summary of the document to appear in the index follows:

Financing Statement, dated February 18, 1974, Deed of Trust, dated February 18, 1974, and Security Agreements, executed February 19, 1979 between the Mountain National Bank, and its assign, namely the Small Business Administration, as secured party, and Jack D. Showalter and Mary F. Showalter, his wife, Individually and d/b/a Barber, Intervale & Gathright Scenic Railroad, and covering two railroad motor cars, two flat railroad gondolas, six cabooses, two baggage wagons, two car movers, four car retractors, one lot tools, two lots spare parts, 6,000 broad feet Creasoted timbers, one knocked down railroad station, one electrically operated turntable, two steam locomotives, 15.6 miles of ties, stone ballast, 2,780 tons of 100 lb. rails and 758.43 tons of 90 lb. rails.

Thanking you in advance for your kind consideration.

Sincerely,



Sally Yates Wood  
General Attorney  
Small Business Administration  
FTS 925-2948  
(804) 771-2948

cc: John Huddle

**THE MOUNTAIN NATIONAL BANK OF CLIFTON FORGE, VA.**

Clifton Forge, Virginia

**Equipment and Consumer Goods Security Agreement**

Name Jack D. Showalter & Mary F. Showalter, his wife, individually and d/b/a Barber, Intervale and Gathright Scenic Railroad

(hereinafter called "Borrower"), does hereby grant to The Mountain National Bank of Clifton Forge (hereinafter called "Bank"), its successors and assigns, a security interest in the following goods:

Make	Body Type	Year	Model	Serial Number	Motor Number
Caboose - C&O Serial No. 90968				5374	
2 Baggage Wagons					
2 Car Movers					
4 Car Retractors					
1 Lot Tools					
1 Lot Spare Parts for R.R. Steam Locomotive					
6000 Board Feet Creasoted timbers					
1 Knocked down 1884 Railroad Station					

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INTERSTATE COMMERCE COMMISSION

together with all licenses, tires, tools, equipment, accessories, attachments and other accessions now or hereafter installed in or affixed thereto (all hereinafter called "Collateral"), to secure: (a) The payment of all indebtedness of Borrower and all other parties thereto, and each of them, to Bank, now existing or hereafter incurred, matured or unmatured, direct or indirect, absolute or contingent, including any extensions and renewals thereof (hereinafter called "Indebtedness"); and (b) performance by Borrower of the agreements hereinafter set forth.

**BORROWER WARRANTS:** (a) Borrower is the owner of the Collateral clear of all liens and security interests except the security interest granted hereby; (b) Borrower is above the age of 21 years and has the right to make this agreement; (c) the Collateral is used or bought for use primarily for the purpose checked below:

Personal, family, or household  Farm  Business

(and, if for Farm purposes, that the purchase price of the Collateral, including credit for trade-in, if any, was \$ \_\_\_\_\_)

(d) The Collateral will be located at:

Route 5, Intervale	Covington		Virginia
No. and Street	City	County	State

(e) If an individual, Borrower's home address:

No. and Street	City	County	State
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(f) If a corporation, partnership, or proprietorship, location of Borrower's principal place of business in Virginia is:

No. and Street	City	County	State
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(g) and if the following is checked

the Collateral is being acquired by Borrower with funds simultaneously advanced by Bank, and such funds will be used for no other purpose. Borrower hereby authorizes Bank to disburse such funds to the seller of the Collateral.

**BORROWER:** 1. Will pay Bank the Indebtedness as and when the same shall be due and payable, whether at maturity, by acceleration or otherwise, and will perform promptly all terms of said Indebtedness and this or any other security or loan agreement between Borrower and Bank, and will join with Bank in executing financing statements in form satisfactory to Bank, and pay the cost of filing the same and continuation statements, termination statements and any other documents in any public office deemed appropriate by Bank.

2. Will defend the Collateral against the claims and demands of all persons.

3. Will insure the Collateral against all hazards requested by Bank in form and amount satisfactory to Bank. If Borrower fails to obtain insurance, Bank shall have the right to obtain it at Borrower's expense. Borrower assigns to Bank all right to receive proceeds of insurance, directs any insurer to pay all proceeds directly to Bank, and authorizes Bank to endorse any draft for the proceeds.

\*\* "For value received, without recourse, the Mountain National Bank hereby assigns and transfers to the Small Business Administration, an Agency of the United States Government, its successors and assigns."

Date 9-23-87

MOUNTAIN NATIONAL BANK / /

By \_\_\_\_\_ Executive Vice President

4. Will keep the Collateral in good condition and repair, reasonable wear and tear excepted, and will permit Bank and its agents to inspect the Collateral at any time.

5. Will pay as part of the Indebtedness hereby secured all amounts paid by Bank (including attorney's fees) with interest thereon (a) for taxes, levies, insurance, repairs to, or maintenance of the Collateral, and (b) in taking possession of, disposing of or preserving the Collateral after any default hereinafter described.

6. Will not permit any change in the location of the Collateral without the prior written consent of Bank.

7. Will immediately advise Bank in writing of any change in borrower's residence or in Borrower's principal place of business.

8. Will not: (a) Permit any liens or security interests (other than Bank's security interest) to attach to any of the Collateral; (b) dispose of any of the Collateral without the prior written consent of Bank; or (c) permit anything to be done that may impair the value of any of the Collateral or the security intended to be afforded by this agreement.

9. If the Collateral or any part thereof is a motor vehicle, will not use such Collateral for taxi-cab purposes or for hire, unless authorized by Bank in writing; or for, or in connection with the transportation, sale, barter, or gift of intoxicating liquor, or other substance, in violation of any law, state, federal or municipal, or for any unlawful purposes whatsoever; and will have this lien properly recorded on the certificate of title to any motor vehicle described, and will cause such certificate to be delivered to Bank.

Bank is hereby appointed Borrower's attorney-in-fact to do all acts and things which Bank may deem necessary to perfect and keep perfected the security interest created by this security agreement and to protect the Collateral.

The proceeds of any insurance as well as the proceeds of any disposition (with Bank's consent) of the Collateral or any part thereof shall be applied against the Indebtedness in such manner as Bank may determine from time to time.

UNTIL DEFAULT, Borrower may retain possession of the Collateral and use it in any lawful manner not inconsistent with the agreements herein or with the terms and conditions of any policy of insurance thereon.

UNPON DEFAULT by Borrower in the performance of any covenant or agreement herein or in the discharge of any Indebtedness to Bank, or if any warranty should prove untrue, or if for any reason Bank should consider the Collateral to be inadequate security, Bank shall have all of the rights and remedies of a secured party under the Uniform Commercial Code or other applicable law, and all rights provided herein, in the Indebtedness mentioned above, or in any other applicable security or loan agreement, all of which rights and remedies shall, to the full extent permitted by law, be cumulative. Bank may require Borrower to assemble the Collateral and make it available to Bank at a place to be designated by Bank which is reasonably convenient to Bank and Borrower. Any required notice of sale or other disposition on default, when placed in the mail addressed to, or left upon the premises of, Borrower at the address specified below, or such other address of Borrower as may from time to time be shown on Bank's records, at least five days prior to such action, shall constitute reasonable notice to Borrower.

The waiver of any default hereunder shall not be a waiver of any subsequent default. No waiver or modification of the terms and conditions of this agreement shall be valid unless in writing and signed by the parties hereto. Time is of the essence hereof.

All rights of Bank hereunder shall inure to the benefit of its successors and assigns, and all obligations of Borrower shall bind Borrower's heirs, executors, administrators, successors and assigns. If there be more than one Borrower their obligations hereunder shall be joint and several.

IN WITNESS WHEREOF, Borrower has executed this agreement this 19th day of February, 19 79.

Route 5, Intervale

No. & Street

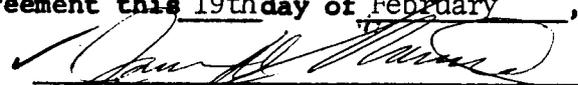
Covington

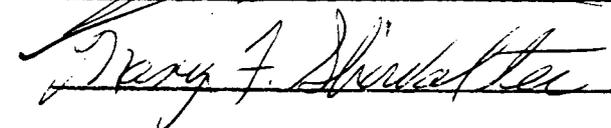
Virginia

City

County

State

 (Seal)

 (Seal)