



RECORDATION NO. 5374

NOV 9 1987 -4 20 PM

INTERSTATE COMMERCE COMMISSION

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

1 5374  
Filed 1425

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RECORDATION NO. Filed 1425

November 3 1987

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INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission  
Suite 2300  
12th & Constitution Avenue, N. W.  
Washington, D.C. 20423  
Attn: Mildred Lee

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INTERSTATE COMMERCE COMMISSION

1 5374  
Filed 1425

11/9/87  
no fee

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

NOV 9 1987 -4 20 PM

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



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

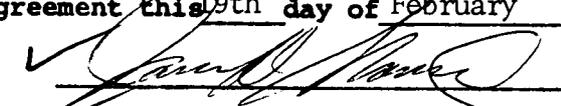
No. & Street

Covington, Virginia

City

County

State

 (Seal)  
 (Seal)