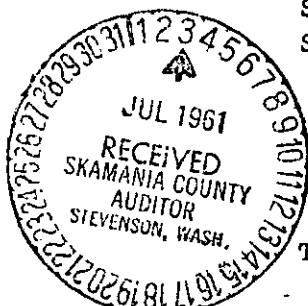


REAL PROPERTY MORTGAGE

KNOW ALL MEN BY THESE PRESENTS: That the undersigned EVERETT WAGNER and LAURENE WAGNER, husband and wife, hereinafter referred to as Mortgagor", does by this instrument mortgage unto JAMES J. RYAN, a widower, hereinafter referred to as "Mortgagee", the following described real property situated in Skamania County, State of Washington, to-wit:

The Northeast quarter and the East half of the Northwest quarter, all in Section Two (2), Township One (1) North, Range 5 East of the Willamette Meridian, SUBJECT TO public roads, if any, and SUBJECT TO the rights, if any, as heretofore granted to School District No. 1, or its successors in interest, as evidenced by a lease bearing date of November 12, 1920, as recited in the deed recorded in Book "S" of Deeds, page 523, records of said County.



This mortgage is given to secure the performance of the covenants and agreements herein contained and the payment of the sum of THIRTY THOUSAND DOLLARS (\$30,000.00), due on or before September 1, 1962, as evidenced by a promissory note bearing even date herewith.

The Mortgagor covenants and agrees that he is lawfully seized of the property above described in fee simple, and that he has a good right to mortgage it as herein provided; that the aforesaid property is free of liens or encumbrances except as may be noted above; that Mortgagor will seasonably pay all taxes and assessments of every kind and nature hereinafter levied on the property; that Mortgagor will pay all charges incurred in connection with his use or occupancy of said property to the end that no liens for the same will attach thereon; that Mortgagor will commit or permit no waste of said property, except as to the cutting of the timber thereon as hereinafter provided in this mortgage, and in all things will endeavor to preserve rather than to diminish the Mortgagee's security interest therein. In the event that Mortgagor shall fail or neglect to perform the foregoing,