

taking of additional security, or the extension of time of payment of the Secured Debt, or any part thereof, shall, at no time, release or impair the liability of any endorser or surety or security, or of any property that may occupy the place of a surety, nor improve the right of any junior lien holder, and this mortgage, as well as any renewal or extension thereof, shall be and remain, except as to said mortgage of September 16, 1961, a first and prior lien on all of said property not expressly released until the Secured Debt is paid in full, and shall be security for payment of any renewal or extension notes evidencing the Secured Debt; they will render such further assurance of title as may be requested by the Mortgagee; they will warrant and defend said title unto said Mortgagee and unto his successors and assigns, against the lawful claims and demands of all persons whomsoever; they will pay all taxes or assessments that may be levied or assessed on said premises and all taxes that may be levied or assessed on this mortgage or to the Mortgagee on account of the note or notes evidencing the Secured Debt at least thirty (30) days before they become delinquent. They will keep the buildings on said premises insured against loss by fire for their full insurable value by a fire insurance policy or policies with extended coverage during the time that the Secured Debt, or any part thereof, shall remain unpaid, said fire insurance to be in one or more responsible fire insurance companies satisfactory to the Mortgagee. The loss or damage, if any, under said policies shall be payable to the Mortgagee; and the Mortgagors will deposit with the Mortgagee all said policies as collateral security for the payment of the Secured Debt and will deliver to the Mortgagee all renewal policies of fire insurance at least thirty (30) days before the expiration date. In case of loss and payment by any insurance company the amount of the insurance money shall be applied either on the Secured Debt or in rebuilding or restoring the damaged buildings as the Mortgagee may elect. If the Mortgagors shall at any time fail to keep the buildings on said premises insured, the Mortgagee, at its option, may declare due and payable the Secured Debt and the Mortgagee shall always have the right in case of default to effect such insurance and to pay the premium therefor, and any and all sums so paid by the Mortgagee shall become and be a part of the Secured Debt and shall be a lien upon said premises, but in no event shall the Mortgagee be held responsible for failure to have any insurance written or for any loss damage growing out of a defect in any policy, or growing out of the failure of any insurance company to pay for any loss or damage. The Mortgagee is authorized to compromise and settle any claims for insurance, and to receipt therefor on behalf both of the Mortgagors, their assigns and the Mortgagee.

At any time during the life of this mortgage, if any law of the State of Washington shall be enacted imposing or authorizing the imposition of any specific tax upon mortgages or upon principal or interest of moneys or notes secured by mortgages or by virtue of which the owner of the premises above described shall be authorized to pay any tax upon said moneys, note or mortgage, or any of them, and deduct the amount of such tax from any said moneys, note or mortgage, or by virtue of which any tax or assessment upon mortgaged premises shall be chargeable against the owner of such moneys, note or mortgage, or in the event a mortgage debt or the income derived therefrom becomes taxable under any law of the State of Washington, then the Secured Debt, at the option of the Mortgagee, at any time after the enactment of such law, shall become due and immediately payable, whether due by lapse of time or not; provided, however, that if notwithstanding any such law, the Mortgagors may lawfully and shall pay to or for the Mortgagee, its successors and assigns, any such tax, this mortgage shall remain the same as if such law or laws had not been passed.