

18918

## MORTGAGE

BOOK 42 PAGE 163

THIS AGREEMENT WITNESSETH: That ARTHUR R. KIRKHAM, JR., a single man

Mortgagor, does hereby mortgage to PORTLAND FEDERAL SAVINGS AND LOAN ASSOCIATION of Portland, Oregon, a corporation organized and existing under the laws of the United States, Mortgagee, the following described real property situated in the County of Skamania, State of Washington, which property is not used principally for agricultural or farming purposes, to-wit:

---Lot 11 of Block Two of WOODARD MARINA ESTATES according to the official plat thereof on file and of record at pages 114 and 115 of Book A of Plats, Records of Skamania County, Washington---



together with all and singular the appurtenances, tenements, hereditaments, rents, issues, profits, water rights and other rights, easements or privileges now or hereafter belonging to, derived from or in any wise appertaining to the above described premises and all plumbing, lighting, heating, ventilating, air-conditioning, refrigerating, watering and irrigating apparatus, equipment and fixtures, together with all awnings, venetian blinds, floor covering in place such as wall-to-wall carpeting and linoleum, shades and built-in ranges, dishwashers and other built-in appliances now or hereafter installed in or used in connection with the above described premises, including all interest therein that the mortgagor has or may hereafter acquire, which fixtures and chattels shall as between the parties be regarded as a part of the real estate to secure the covenants of this instrument and the payment of SEVENTEEN THOUSAND AND NO/100 - - - - -

(\$ 17,000.00) Dollars

and interest thereon, according to the terms and conditions of a promissory note of even date herewith made by the mortgagor and payable to the order of the mortgagee, the final payment of principal and interest thereof, if not sooner paid, to be due and payable on the first day of

July, 1990. This mortgage shall further secure the payment of such additional money, if any, as may be loaned hereafter by the mortgagee to the mortgagor or others having an interest in the above described property, as may be evidenced by a note or notes. If the mortgage indebtedness is evidenced by more than one note, the mortgagee shall apply principal payments received by it toward the reduction of the principal of the last dated note. The mortgagor hereby covenants to and with the mortgagee herein that he is the owner in fee simple of the said mortgaged premises and property and that the said mortgaged premises and property are free and clear of all encumbrances, including fixtures and chattels covered by this instrument, and that the mortgagor will and his heirs, executors and administrators shall warrant and defend his said title, thereto against the claims of all persons whomsoever.

At the request of the mortgagee, mortgagor shall join with the mortgagee in executing one or more financing statements pursuant to the Uniform Commercial Code in a form satisfactory to the mortgagee and will pay for filing the same in the proper public office or offices as well as the cost of such lien searches made by filing officers or searching agencies as may be deemed desirable by the mortgagee.

The mortgagor covenants and agrees to pay said note according to the terms thereof and when due, all taxes, assessments and other charges levied against said property; to keep said property free from all encumbrances having precedence over this mortgage; to complete all buildings in course of construction or hereafter constructed on said premises within six months from the date hereof or the date construction is hereafter commenced; to repair and restore promptly and in good workmanlike manner any building or improvement on said property which may be damaged or destroyed and pay, when due, all costs incurred therefor; to allow the mortgagee to inspect said property at all times during construction; to replace any work or materials unsatisfactory to the mortgagee within fifteen days after written notice from the mortgagee of such fact; not to remove or destroy any buildings or improvements now or hereafter constructed on said premises; to keep all buildings and improvements now or hereafter erected upon said property in good repair and to commit or suffer no waste of the mortgaged premises; to keep all buildings and improvements now or hereafter erected on said premises continuously insured against loss by fire and such other hazards as the mortgagee may from time to time require in a sum not less than the original principal sum of the note or obligation secured by this mortgage, in a company or companies acceptable to the mortgagee, and to deliver the original policy of insurance in correct form and with approved loss payable clause in favor of the mortgagee attached and with premium paid, to the principal place of business of the mortgagee at least fifteen days prior to the effective date of any such policy of insurance. If said policy of insurance is not so tendered, the mortgagee shall in its own discretion obtain insurance for the benefit of the mortgagor, which insurance shall be non-cancellable by the mortgagor during the full term of the policy thus obtained.

In order to provide regularly for the prompt payment of said taxes, assessments or other charges and insurance premiums, the mortgagor agrees to pay to the mortgagee, together with and in addition to the monthly payments of principal and interest payable under the terms of the note secured hereby, an amount equal to one-twelfth (1/12th) of the taxes, assessments and other charges due and payable with respect to said property within each succeeding twelve months, and also one-thirty-sixth (1/36th) of the insurance premiums payable with respect to said property within each succeeding three years during the life of the mortgage, as estimated by the mortgagee, such sums to be credited to the principal of the loan until required for the several purposes thereof and shall thereupon be charged to the principal of the loan, or, at the option of the mortgagee, the sums so paid shall be held by the mortgagee in trust as a reserve account, without interest, to pay said premiums, taxes, assessments and other charges when they shall become due and payable. If the mortgagor desires to carry the insurance required herein as part of a "package" insurance plan, the mortgagee will accept the monthly premium requirements for such "package" insurance, to be payable and applied in the same manner and to be subject to the same conditions as herein provided. In such event, however, the mortgagor shall pay to the mortgagee a service fee fixed by the mortgagee, not exceeding ten dollars, as an initial charge for said service. The mortgagor further agrees to pay a fee to be fixed by the mortgagee, not exceeding ten dollars, for any substitution of policies made during the term of any existing policy or policies. The service charge may at the option of the mortgagee be added to the principal balance of the indebtedness secured by this mortgage. The aggregate amount to be paid each month as a single payment according to the terms of the note or obligation secured hereby and under this mortgage shall be applied by the mortgagee to the following items in the order set forth:

- (1) The amount required for payment of taxes, assessments or other charges and for fire and other hazard insurance premiums;
- (2) Interest on the note or obligation secured hereby;
- (3) Amortization of the principal of the said note or obligation.

While the mortgagor is to pay any and all taxes, assessments and other charges levied or assessed against the mortgaged property or any part thereof before the same begin to bear interest, and also to pay premiums on all insurance policies upon said property, such payments are to be made through the mortgagee, as aforesaid. The mortgagor hereby authorizes the mortgagee to pay any and all taxes, assessments and other charges levied or imposed against said property in the amounts as shown by the statements thereof furnished by the collector of such taxes, assessments or other charges, and to pay the insurance premiums in the amounts shown on the statements submitted by the insurance carriers or their representatives, and to charge said sums to the principal of the loan or to withdraw the sums which may be required from the reserve account, if any, established for that purpose. The mortgagor agrees in no event to hold the mortgagee responsible for failure to have any insurance written or for any loss or damage growing out of a defect in any policy, and the mortgagee is hereby authorized in the event of any loss to compromise and settle with any insurance company and to apply any such insurance receipts upon this mortgage. In computing the amount of the indebtedness for payment and satisfaction in full or upon sale or other acquisition of the property by the mortgagee after default, any balance remaining in the reserve account shall be credited to the indebtedness. If the reserve account for taxes, assessments, insurance premiums and other charges is not sufficient at any time for the payment of such charges as they become due, the mortgagor shall pay the deficit to the mortgagee upon demand, and if not paid within ten days after such demand, the mortgagee may at its option add the amount of such deficit to the principal of the obligation secured hereby.

The mortgagor does hereby covenant and agree not to install any fixtures in the above described property during the life of the mortgage without the knowledge and written consent of the mortgagee, and then only upon such terms of payment for the same as the mortgagee may in writing approve. The discovery of any misrepresentation, breach of warranty or material falsity of any certificate, schedule or statement furnished by the mortgagor to the mortgagee whether or not in connection with this agreement, or failure of the mortgagor to obey the foregoing covenant, shall constitute a default under this agreement.