

**FIRST MORTGAGE**

MORTGAGORS Edwin I. Miller and Lois L. Miller, Husband and Wife,

hereby mortgage to.....Midway Branch, Bank of Cowlitz County, Longview  
the following real property situated inCowlitz & Skamania County, Washington:

Cowlitz County:

Tract 3 of Cowlitz Gardens as per plat recorded in Volume 4 of Plats, at  
Page 10, records of Cowlitz County, Washington.

Situate in the City of Kelso, Cowlitz County, Washington

Skamania County:

Lot Five (5), Spirit Lake View Lots, in the County of Skamania and State  
of Washington.

TOGETHER with all buildings and improvements now or hereafter situated thereon, all rights and interests appurtenant thereto (including rights in easements, agreements, water supply and drainage rights and shares or memberships evidencing such rights), all fixtures, appliances and equipment now or hereafter contained therein or situated thereon, whether specifically mentioned herein or not, including window shades, screens, linoleum and floor coverings, plumbing, dishwashing, laundry, waste and garbage disposal apparatus, equipment and fixtures, including lawn sprinkling systems, heating, lighting, refrigerating, ventilating and elevating equipment, including oil burners, coal stokers, sawdust burners, hot water heaters, refrigerators and all elements and parts thereof and accessories thereto, all of which, as between the parties hereto, and all persons claiming by, through or under them, shall be deemed a part of the realty, together with the rents, issues and profits of the mortgaged property, to secure the performance of the covenants hereof and the payment of the principal sum of:

Twenty Thousand and No/100.....DOLLARS (\$20,000.00)  
payable in 180 mo.....installments with interest thereon from date until paid, according to the terms of one promissory note of even date herewith finally maturing 10/24/79.....All principal and interest shall bear interest at ten per cent per annum after maturity, and to 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 may credit payments received by it upon any of said notes, or part of any payment on one note and part on another, as the mortgagee may elect.

Each mortgagor covenants that the mortgagors are the owners in fee simple of the mortgaged property; that the same is free of incumbrance and that they have good right and authority to mortgage and convey the same and will forever warrant and defend the same against the lawful claims of all persons whomsoever. These covenants shall not be extinguished by any foreclosure but shall run with the land.

Each mortgagor further covenants to pay all sums secured hereby when from any cause the same shall become due; to pay all taxes, assessments and other charges levied or assessed upon the mortgaged property or this mortgage or the debt secured hereby; when due and payable, and at least ten days before delinquency deliver to the mortgagee for inspection official receipts showing payment thereof; to keep the mortgaged property and all improvements thereon in good order and repair, and not to suffer or permit waste thereof; not to suffer or permit the mortgaged property to be maintained or used in violation of any laws, municipal ordinances or regulations; and that the mortgaged property will not become subject to any lien or encumbrance which threatens the validity or priority of this mortgage. If mortgagors fail to complete any buildings or improvements now under construction or about to be constructed, and/or alterations or repairs to present buildings, within a reasonable time, mortgagee may complete the same and the cost thereof shall be secured by the lien of this mortgage. Each mortgagor further covenants to keep all buildings, improvements, or fixtures that may be upon the premises insured against loss or damage by fire with extended coverage to the extent of

Fifteen Thousand and No/100 - - - - - DOLLARS (\$15,000.00)  
and to carry such other kinds and amounts of insurance as in the mortgagee's judgment shall be adequate to protect the mortgaged property.

All insurance shall be written in a company or companies and under policy forms acceptable to mortgagee, payable in case of loss to mortgagee, and shall be deposited with mortgagee not less than ten days before the effective date thereof. Mortgagee may place all insurance contemplated hereby to the extent agreed in the application for this mortgage loan. Mortgagee is not obligated to undertake the writing of insurance or to notify mortgagor of expirations, it being the constant duty of mortgagor to provide such insurance.

Mortgagee may at its option and whether electing to declare the whole indebtedness due or not, perform any covenant or pay any tax, assessment, insurance premium or charge payable by the mortgagors, or any part thereof without waiver of any other remedy, and any expenditure made therefor with interest thereon at ten per cent per annum shall be repayable by the mortgagors without demand and shall be secured by this mortgage. Mortgagee shall be the sole judge of the validity of any tax, assessment or lien asserted against the mortgaged property, and payment thereof by the mortgagee shall establish the right to recover the same with interest as aforesaid. Mortgagee may at its option apply any funds paid by Mortgagor upon any item for which the mortgagor is or may become obligated under this mortgage.

If any default be made in the payment of any sum secured hereby or in the performance of any covenant hereof, or if any adjudication be made that any covenant of the mortgagors is legally inoperative, or if any law be passed deducting from the value of the mortgaged property for purposes of taxation any lien thereon, or imposing any tax upon this mortgage or the debt secured hereby, or changing the manner of the collection of any taxes so as to affect this mortgage or the indebtedness secured hereby, then at the option of the mortgagee all sums secured hereby shall without notice become immediately due and payable and thereafter bear interest at the rate of ten per cent per annum and this mortgage may be foreclosed. Failure to exercise this option in any one or more instances shall not constitute a waiver, but this option shall remain continuously in force.

Upon any default by the mortgagors, the mortgagee shall have the immediate right to take possession of the mortgaged premises and collect the rents, issues and profits thereof, and apply the same, less reasonable costs of collection, to the upkeep of the property, the payment of taxes and assessments and to the indebtedness secured hereby and upon default by the mortgagors, the mortgagee shall be entitled as a matter of right to the immediate appointment of a receiver of the mortgaged property and of the rents, issues and profits thereof, and said receiver shall apply the same to the expenses of receivership, upkeep of the property, taxes and assessments and to the indebtedness hereby secured.

Mortgagors agree to pay a reasonable attorneys' fee and the costs of searching, and abstracting the records of title in any suit brought to collect this debt or any part thereof, or to foreclose this mortgage, and also in any suit which the mortgagee shall deem it necessary to bring or to defend involving the validity or priority of this mortgage, which sums shall be secured hereby.

Dated this 22nd day of October 1964

Edwin I. Miller

Lois L. Miller