

REAL ESTATE MORTGAGE

THE MORTGAGORS, MERLIN G. FINK and DONA R. FINK, husband and wife,
of Vancouver, Washington

hereby mortgage to FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF VANCOUVER, a corporation, located at Vancouver, Clark County, Washington, Mortgagee,
the following described real property situate in the County of Skamania, State of Washington, to wit:

The West half of the West half of the Northeast Quarter of Section 15, Township 3 North,
Range 10, East of the Willamette Meridian.

Together with all buildings and other improvements now or hereafter located 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 property, equipment and appliances now or hereafter in any manner affixed or attached to such land or the buildings or improvements thereon for use in connection therewith, even though such items may be removed for convenience, such as storm windows, doors, screens, awnings and like items (which shall for the purpose of this mortgage be deemed a part of said real property), and any interest therein which mortgagor may hereafter acquire, together with all rents, issues and profits thereof—all of which are herein referred to as "said property").

The debt secured by this mortgage is in the principal sum of Five Thousand Two Hundred and No Dollars (\$ 5,200.00), payable in 240 monthly installments of Forty and 32/100----- Dollars (\$ 40.32) each, and the debt

secured hereby matures in full on the 1st day of July 19 87, all in accordance with the terms and conditions of one certain promissory note evidencing this debt, which note is of even date with this mortgage and is made, executed and delivered by the mortgagor to the mortgagee concurrently with this mortgage, and as a part of this contract.

Also, this mortgage lien shall continue in force and exist as security for any and all other allowances which may hereafter be made by the mortgagee to the mortgagor, and shall continue in force and exist as security for any debt now owing, or hereafter to become owing, by the mortgagor to the mortgagee.

The within described property is not used principally for agricultural or farming purposes.

THE MORTGAGOR HEREBY COVENANTS AND AGREES WITH THE MORTGAGEE THAT:

I. He is the owner of the above described premises; that the same are now clear of incumbrance; that he will keep the buildings and other destructible property covered by this mortgage insured against loss by fire and other hazards in a sum at least equal to the mortgagee's appraised value thereof; such insurance contract shall be issued by a responsible insurance company, and the policy evidencing the same shall be delivered into the possession of the mortgagee. The said policy shall be endorsed by the mortgagor and shall contain an appropriate clause providing that the loss thereunder, if any, shall be payable to the mortgagee, in accordance with its interest at the time of loss. Mortgagor shall do all things necessary to obtain prompt settlement for each and every loss or claim covered by any such policy. The mortgagor further covenants that he will pay promptly all premiums on such insurance; and that he will pay promptly and before delinquency any and all installments of taxes, special assessments and other governmental levies which may hereafter be levied against or become a lien upon this mortgaged property; that he will keep the buildings and appurtenances on the said property in a good state of repair, all to the effect that the value of said property shall not be impaired during the life of this mortgage.

II. He will pay the indebtedness in accordance with the terms of the note as hereinbefore provided. Privilege is reserved to the mortgagor to pay the debt in whole or in an amount equal to one or more monthly payments on the principal that are next due on the note on the first day of any month prior to maturity; provided, however, that written notice of intention to exercise such privilege is given at least thirty (30) days prior to prepayment, and provided further that during any one calendar year there is not paid more than twenty percent (20%) of the original amount of the indebtedness evidenced by the note against the principal amount then owing, and provided further that, if the mortgagor pays more than 20% in any one calendar year as above provided, then the mortgagor agrees to pay in addition to the principal and accrued interest such sum in the way of advance interest or penalty as the holder of the note and mortgage may demand, except that such demand shall in no case exceed a sum equal to interest at the rate stated in the note on the prepaid amount exceeding the 20% of the original debt computed for a period of 180 days.

III. In order to more fully protect the security of this mortgage, the mortgagor shall, if and as requested by mortgagee, deposit with mortgagee in equal monthly installments (as estimated by mortgagee) sufficient funds to pay before delinquency such current or next maturing taxes, assessments and insurance premiums, and promptly deliver to mortgagee all bills or notices respecting any such item. When so provided with sufficient funds, mortgagee (rather than mortgagor) shall pay such items before delinquency and should any excess then remain, apply the same as provided in paragraph V hereafter. If mortgagee requests this deposit from mortgagor, it shall be remitted by mortgagor together with, in addition to, and as a part of mortgagor's monthly payment of principal and interest in one aggregate sum. Mortgagee may make this request by giving mortgagor at least thirty (30) days advance notice thereof in writing by registered or certified mail to mortgagor's last known address or by posting said notice on the mortgaged property, if mortgagor's address is unknown, for a period of thirty (30) days from one installment pay date to another.

Upon such a request being made by mortgagee, all payments received by mortgagee on and after the effective date set forth in the notice shall be applied by the mortgagee as follows:

- (1) Reserve for taxes, assessments, fire or other hazard insurance;
- (2) Interest on the note secured hereby;
- (3) Amortization of the principal of the said note.

Any deficiency in the amount of any such aggregate monthly payments shall, unless made good by the mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage.

IV. The mortgagee may collect a late charge not to exceed four cents (4c) for each dollar (\$1.00) of each payment more than thirty (30) days in arrears to cover the extra expenses involved in handling delinquent payments, or mortgagee may accelerate the interest to 10% as the note provides.

V. If the mortgagee has requested the mortgagor to make additional deposits as stated in paragraph III above and the total payments made by mortgagor under paragraph III exceed the amount of the payments actually made by the mortgagee for taxes, assessments, or insurance premiums, as the case may be, such excess shall be credited by the mortgagee on subsequent payments to be made by the mortgagor. If, however, the monthly payments made by the mortgagor under paragraph III preceding shall not be sufficient to pay taxes, assessments, or insurance premiums, as the case may be, when the same shall become due and payable, then the mortgagor shall pay to the mortgagee any amount necessary to make up the deficiency on or before the date when payment of such taxes, assessments or insurance premiums shall be due. If at any time the mortgagor under the provisions heretofore made shall tender to the mortgagee full payment of the entire indebtedness represented by the note, the mortgagee shall in computing the amount of such indebtedness credit to the account of the mortgagor all payments made under the provisions of paragraph III hereof which the mortgagee has not become obligated to pay. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby, or if the mortgagee acquires the property otherwise after default, the mortgagee shall apply, at the time of the commencement of such proceedings or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under paragraph III preceding as a credit against the amount of the principal remaining unpaid under said note.

VI. He will pay all taxes, assessments, water rates and other governmental or municipal charges, fines or impositions for which provision has not been made heretofore and will promptly deliver the official receipts therefor to the said mortgagee, and in default thereof the mortgagee may pay the same.