

PROTECTION RESERVE is defined as that amount at any given time hereafter the contractual balance (that sum to which the balance would have been reduced had Mortgagors paid at the exact times therefore the exact minimum payments required therein) exceeds the balance (actual unpaid balance). The Mortgagors are permitted to establish such a PROTECTION RESERVE and for that purpose are authorized to

pay in addition to all payments required by said note further monthly payments of \$ 19.37. Now, if at any given time, the Mortgagors shall have complied with the terms of this mortgage and the ledger balance on said note at that time is less than the contractual balance, the Mortgagors may, at their option, omit making any further payments required on said note, or may reduce such payments until such time as the ledger balance rises to and equals the contractual balance as said terms are above defined; all interest which accrues under the terms of said note and/or mortgage within the period during which the Mortgagors omit to make payments as herein permitted shall be added to the then unpaid principal of said note (and to said ledger balance) and bear interest at the rates specified in said note; as the Mortgagor's ledger balance equals or becomes greater than the contractual balance, then any further omission to pay by said Mortgagors shall constitute a default under the terms of said note and mortgage.

Should the Mortgagors avail themselves of the PROTECTION RESERVE, their required minimum monthly payment as set forth in said note need not be increased by reason of the reduction in the amount of said PROTECTION RESERVE; provided, however, the Mortgagors may at their option at any time restore said PROTECTION RESERVE in whole or in part by making further payments as desired.

Mortgagors shall make no sale of the above-described property, including contract sales, without first obtaining the written consent thereof of the Mortgagee, which consent Mortgagee will not unreasonably withhold. As a condition to such consent, Mortgagee may impose a service charge not exceeding in amount 1% of the principal sum initially secured by this mortgage.

PROVISIONS APPLICABLE TO CONDOMINIUMS AND TOWNHOUSES: Should the mortgaged property be a unit of a condominium or townhouse project and should mortgagor breach the Declaration and Bylaws applicable to such project, or should the association of unit owners of which mortgagor is a member fail to provide management or to maintain and keep in repair the common elements or common areas, then and in either of said events, if such condition be not corrected within 30 days after written notice to mortgagor, mortgagee shall have the right to correct such breach at mortgagor's expense, which expense shall be secured hereby, and/or attend and vote in mortgagor's stead on all matters at unit owners' meetings and/or to exercise the indebtedness secured hereby and foreclose this mortgage, such additional remedies at mortgagee's option.

ADDITIONAL PROVISION FOR WASHINGTON STATE MORTGAGES. The within described property is not used principally for agricultural or farming purposes.

This mortgage secures future advances to Mortgagors in amounts to the aggregate of \$1,500.00, which advances as made shall merge in the then existing indebtedness hereby secured.

That upon the execution of this mortgage, Mortgagors are declared as members of BENJ. FRANKLIN FEDERAL SAVINGS AND LOAN ASSOCIATION OF PORTLAND, and do herewith acknowledge receipt of copy of the charter and by laws of this Association. The Association hereby authorized to act without further inquiry on writings bearing the signatures of the Mortgagors as executed hereon.

DATED this 3rd day of May 1973

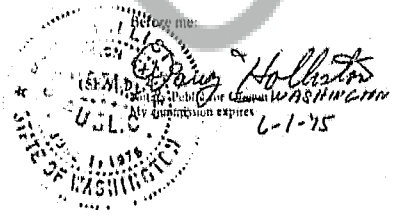
Lloyd E. Knight
Sharon L. Knight
Lloyd E. Knight
Sharon L. Knight
(SEAL)
(SEAL)
(SEAL)
(SEAL)

STATE OF WASHINGTON
County of KILLICOTT
On this 8 day of May 1973
Personally appeared the above named
LLOYD E.
KNIGHT and SHARON L. KNIGHT,
husband and wife

STATE OF OREGON
County of
On this day of 19
before me appeared
and
both to me personally known, who being duly sworn, did say that he, the said
is the
President, and he, the said
is the Secretary

and acknowledged the foregoing instrument to be
their voluntary act and deed

of the within named Corporation, and that the seal affixed to said instrument is the corporate seal of said Corporation and that the said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors, and
acknowledged said instrument to be the free act and deed of said Corporation
IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



Notary Public for Oregon
My commission expires

(SEAL)

CARRICO 149628-1
SUTC 5983
76055
MORTGAGE
Lloyd E. Knight et ux
Benj. Franklin Federal
Savings and Loan Association
OF PORTLAND

STATE OF
County of
Filed for record at the request of Mortgage on
May 9 1973
at 15 minutes past 3 o'clock P.M.
and recorded in Vol. 50 of Mortgages,
Page 526 Records of said County.
County Clerk
By E. J. J. J.

REGISTERED TO
INDEXED TO
THRORE
RECORDED
COMPARED
MAILED
Mail to
BENJ. FRANKLIN FEDERAL
SAVINGS AND LOAN ASSOCIATION
2nd Floor, Franklin Bldg.
S.W. 34th at Stark
Portland, Oregon 97204