

## REAL ESTATE MORTGAGE

(Leasehold Interest)



This mortgage, made this 29<sup>th</sup> day of December, 1975, by the mortgagors, PHIL R. KOVISTRA and MARIE E. KOVISTRA, husband and wife, to FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF VANCOUVER, a corporation, the mortgagee:

## WITNESSETH:

WHEREAS, the State of Washington, Department of Natural Resources, did by certain lease, Lease No. 58285, having date of August 11, 1970, as amended by document dated February 13, 1972, as authorized under RCW 79.01.050, demise and lease for purposes stated in the bid for development and use under Water Front Recreation Inc., a Washington Corporation, all and singular the premises hereinafter described, as located in the County of Skamania, State of Washington, as will:

Government Lots 4 and 5, Section 26, Township 1 North, Range 6 East of the Willamette Meridian, having an area of 18.66 acres, more or less. Subject, however, to a easement for right of way for a road acquired by the United States of America, United States Forest Service, and

WHEREAS, the term of said lease is for a period of fifty-five (55) years from June 1, 1970 to June 1, 1975, subject to a renewal as provided by law, and Water Front Recreation, Inc., a Washington Corporation, is to pay to the State of Washington such sums at such times as a phase development, their accordance with the terms of said lease No. 58285 and is the officer of the Department of Natural Resources, State of Washington, and as recorded under title No. 73224, records of Skamania County, Washington, and

WITNESSETH, in accordance with the terms of the lease and the development plan submitted to the State of Washington, the property herein described is not used primarily for agricultural or farming purposes, and

WHEREAS, Water Front Recreation, Inc. has submitted, and approved, and recorded in the office of the Auditor of Skamania County, Washington, a plat and survey of the above described property entitled "Water Front Recreation, Inc. dated May 14, 1975" on file and of record under Auditor's File No. 73675, volume 306, book 7, of Miscellaneous Records of Skamania County, Washington, together with appropriate document as established in writing to said plat for the lot and use of the area shown as roadway on the plat: PHIL KOVISTRA and MARIE E. KOVISTRA, husband and wife, are entering into this mortgage to First Federal Savings and Loan Association of Vancouver to secure an indebtedness, to First Federal Savings and Loan Association of Vancouver of money being loaned to it and borrowed by the mortgagee to construct a single family house on lot 2 as shown on the above referred to Plat and Survey, which is a part of the above described plat and survey on record in the office of the Auditor of Skamania County, Washington, and within the metes and bounds of the legal description in Lease No. 58285 heretofore described.

WENHAM, Water Power Recreation, Inc. did with approval of the State of Washington and in conformance with the primary lease heretofore described, make, execute and deliver to the mortgagee herein a document entitled "Cable Site Lease", a copy of which is hereto attached and incorporated herein as if set out in full.

NEW KIMBERLY, to secure the just indebtedness of the mortgagee, to First Federal Savings and Loan Association of Vancouver, PHIL S. KIMBROUGH and EUGENE E. KIMBROUGH, husband and wife, make the covenant hereinafter stated as follows: That the First Federal Savings and Loan Association of Vancouver, a corporation, organized, their cabin site leasehold interest, on the following real property located in the County of Skagitno, State of Washington, to-wit:

LOT 74 as shown on the plat and survey entitled Survey for Water Power Recreation, Inc. dated May 11, 1971, on file and of record in the Office of the County Auditor of Skagitno County, Washington, TRUSTEES WITH POWER OF SALE, as established in certain plat, for the joint use of the cable car roadways on the site. This property is owned by the United States Forest Service, as shown on the plat number 117 dated March 1, 1971, and on September 4, 1971, and is located in the County of Skagitno, State of Washington, under Auditor's File No. 117, Skagitno County, Washington.

... the provisions, reserves, covenants and limitations of Section 24, Chapter 90A, RCW, as amended, and the provisions of the United States Forest Service and approval to use for power purposes that is in effect under Project Nos. 1071, 1111, and 1121.

The lien of this mortgage shall extend to all and singular the property herein described and shall cover any future interest in the said real property, and shall extend to all and singular the fixtures, attached to or growing upon the same, as well as the interest and appurtenances thereto in right of and also the rentals, issues and profits of the said real property.

The debt secured by this mortgage is to the principal sum of three thousand five hundred and no/100 (\$3,500.00), payable in one hundred (\$100.00) monthly installments of thirty-five and no/100 (\$35.00) each, and the date of said payments is full on the 1st day of February, 1972, and is according with the terms and conditions of one certain



eviction sale resulting from a foreclosure of this mortgage, and in the absence of foreclosure, and during the life of this mortgage, none of such items shall be removed, nor their value in any way impaired, by the mortgagor or their successor. In event Section 5.10 of the master lease referred to below is invoked for the protection of the mortgage, the above items shall be considered in the same manner as if this mortgage had been foreclosed, or in the event mortgagee obtains possession through any other means the items above referred to shall be considered in like manner.

The mortgagor further covenants and agrees that the loan secured by this mortgage is made upon the personal character and integrity of the mortgagor, as well as upon the security offered, and that therefore they will not convey this mortgaged property, or any interest therein, without the consent of the mortgagee, and if any such consent is given, and any such conveyance is made, the purchaser or grantee still, personally, assume and agree to pay this debt.

Now if the mortgagor shall fail to pay any installment of principal or interest upon the debt secured hereby or should they fail to perform strictly by any other covenants or conditions of this mortgage, or the note evidencing the debt, or any one of the covenants, conditions and terms of the lease hereinafter made with Water Front Development, Inc., identified as the master lease above, then, at the election of the mortgagee, the debt secured hereby shall become immediately due and payable, and the mortgagee may foreclose and any of the terms of the lease made by the mortgagor with Water Front Development, Inc., for the benefit of a lending agency, in addition to the terms of the master lease from the State of Washington, made by Water Front Development, Inc., for the benefit of mortgagees, hereinafter incorporated specifically, and the mortgagee agrees to waive all such terms of the lease herein, referring to, but not including, Section 5.10 and Section 5.09, as amended by Chapter 10, Laws of 1972, of said State which state as follows:

"5.09" Incidental to the lease. If the lease becomes insolvent or bankrupt or the lender is appointed receiver of the State may, at its option, the State may, if the lease has been made collateral with the State's assets, if the lender shall default in a loan to the lending agency, the State may request the lender to sign the lease to the lending agency who may, at its option, either operate the leased site or, with the approval of the State, assign the lease.

"5.09" History of sub-leases. From the date of this lease, by cancellation or otherwise, prior to the lease termination date, shall not serve to cancel approved sub-leases, nor derogate from the rights of the "holders of record, but shall operate as an assignment to the State of any and all such sub-leases, together with the unrestricted right of the State to receive all sub-lease payments thereon is provided for from the date of said assignment. Upon termination of this lease, by cancellation or otherwise, prior to the termination date of said lease, the lender shall have no claim to sub-lease payments and/or sub-lease improvement values herein contained."

The mortgagee may immediately foreclose this mortgage, and the property covered by this mortgage may be sold as provided by law, and in event of such assignment or foreclosure sale or the invoking of any other remedy provided by law for this mortgage, shall be a perpetual bar, both in law and equity, against the mortgagor and against all persons claiming or to claim the premises, or any part thereof by, from, through or under the mortgagee or any of them.

At election of mortgagee, if it so desires, if mortgagee shall fail to pay any installment of taxes, special assessments, or other governmental levies that may become due, or if they shall fail to purchase and pay the premium on any policy of insurance, then the mortgagee may pay or advance such sums as may be necessary to pay such tax assessments, or governmental levy, or such insurance premium, and the amount so paid shall be added to and become a part of the debt secured hereby.

The mortgagor further agrees that if they should fail to make the payments as herein provided, or should they fail to perform any other covenant or condition of this mortgage, and in case of a foreclosure action, they agree to pay to the principal and interest then due, and to all costs and expenses as are above mentioned, and they agree to pay any and all other reasonable and necessary expenses in connection with this mortgage.

The mortgagor further agrees that they will not, without the written consent of the mortgagee, encumber the premises with any other mortgage or lien, or make any improvements on the premises.

DATED this 1st day of January, 1921.

76839

STATE OF WASHINGTON

County of Clark

On this day personally appeared \_\_\_\_\_ of the County of \_\_\_\_\_ State of \_\_\_\_\_ known to me to be the individual described in and who executed the foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_ 1921.

Notary Public in and for the State of Washington, residing at \_\_\_\_\_