

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

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

and all interest or estate therein that the mortgagors may hereafter acquire.

[illegible]

and payable on the fifteenth day of each month thereafter, according to the terms and conditions of the aforesaid

and payable on the fifteenth day of each month thereafter, according to the terms and conditions of the attached promissory note bearing even date herewith.

The Mortgagee, for themselves and for their heirs and assigns, have covenanted and agreed, and do hereby covenant and agree to and with the Mortgagor, its successors or assigns, as follows: They have a valid and unencumbered title in fee simple in said premises; they have the right to mortgage the same; they will not suffer or permit said premises to become subject to any lien or encumbrance that shall have precedence over this mortgage; they will neither do nor suffer waste; they will keep all buildings and improvements located upon the mortgaged premises in good condition and repair; and no building or other improvement shall be removed or demolished without the consent of the mortgagee; and the mortgagee, in addition to securing the performance of the time of payment of said indebtedness, or any part thereof, shall, at its option, release or impair the liability of any endorser or surety or security, or of any property that may occupy the place of such surety, nor improve the title of any such endorser, and this mortgage, as well as any renewal or extension thereof, shall be and remain a first and prior lien on said property not expressly released until said indebtedness is paid in full, and shall be security for payment of any renewal or extension of such indebtedness; they will render such further assurance of title as may be requested by the Mortgagee; they warrant and defend said title unto said Mortgagee and unto his successors and assigns, against the lawful claims and demands of all persons whomsoever, they will pay all taxes or assessments that may be levied or assessed on said premises, and they agree that they may be levied or assessed on this mortgage or on the holder of said note on account thereof at least once a year, and they agree that they become delinquent if they fail to keep the buildings on said premises insured against loss by fire to the full replacement value by a fire insurance policy or policies with extended coverage during the time that the debt hereby secured or any part thereof, shall remain unpaid. Said fire insurance to be in one or more responsible fire insurance companies satisfactory to the Mortgagee, the loss or damage, if any, under such fire insurance policies to be payable to the said Mortgagee, that Mortgagee will deposit with the Mortgagee all policies of fire insurance in force upon said buildings as collateral security for the payment of the indebtedness hereby secured and that they will deliver to the Mortgagee all renewal policies of fire insurance at least thirty (30) days before the expiration date. The Mortgagee instructs the Mortgagee to accept for insurance purposes what is commonly known as a "Homeowners" policy which covers the property above described and other risks named therein and to pay the premium therefor out of insurance premium funds accumulated with the Mortgagee for that purpose, to the extent that such accumulated funds will cover said premium. The Mortgagee understands that the Mortgagee is not obligated in any way to advance any of its own funds for purchase of any insurance, and that funds so advanced shall be charged to the Mortgagee. In case of default and payment by any insurance company the amount of the insurance monies shall be applied either on the indebtedness secured hereby or in rebuilding or restoring the damaged building as the Mortgagee may elect. If the Mortgagee shall at any time fail to keep said building insured, the Mortgagee, at its option, may declare in default to effect such insurance and to pay the premium therefor, and any and all sums so paid by the Mortgagee shall become and be a part of the debt secured by this mortgage and shall be a lien upon said premises, but in no event shall the Mortgagee be held responsible for failure to have any insurance written for or any loss or damage sustained by fire, theft, or sinking out of the failure of any insurance company to pay for any loss or

said premises, but in no event shall the Mortgagee be authorized to compromise and settle any claims for insurance, and to receipt therefor on behalf both of the Mortgagor and his assigns and the Mortgagee.

At any time during the life of this mortgage, if any law of the State of Washington shall be enacted imposing or authorizing the imposition of a special tax upon mortgages or upon principal or interest of moneys or notes secured by mortgages or by virtue of security in the premises above described, shall be authorized to pay any tax upon said moneys, notes or mortgages, or by virtue of either of them, and deduct the amount of such tax from any such moneys, note or mortgage, or by virtue of either of them, and the tax or assessment upon the mortgaged premises shall be chargeable against the moneys, notes or mortgages, or by virtue of either of them, or against the principal sum or sums secured, as the case may be, under any law of the State of Washington, or in the event the mortgage debt or the income derived therefrom becomes taxable, at the option of the Mortgagee, at any time during the term of the mortgage, or the principal sum hereby secured, with all accrued interest thereon, whether due by lapse of time or not; provided,

mergage, or in the event the mortgage debt or the principal sum hereby secured, with all accrued interest thereon, at the option of the Mortgagee, at any time after the date of the making hereof, shall become due and immediately payable, whether due by lapse of time or not; provided, after the enactment of such law, shall become due and immediately payable and shall pay to or for the Mortgagee, its successors and assigns, any such tax, this mortgage shall remain the same as if such law or laws had not been passed.

The interest rate fixed in this mortgage is agreed upon in consideration that all escrow funds will bear no interest, and, therefore, to more fully protect this mortgage, the Mortgages, together with, and in addition to the monthly installments of principal and interest payable under the terms of the note secured hereby, will on the 15th day of each month until said note is fully paid, pay to the Mortgagee the following sums: At the election of the Mortgagee, on or before the day of the month of \_\_\_\_\_, 19\_\_\_\_, (1) A sum equal to the premiums that will next become due and payable on policies of life and other hazard insurance covering the mortgaged property, plus taxes and assessments not due on the described premises (all as shown on the schedule attached hereto), and (2) A sum equal to the amount of the interest on the mortgage for the month of \_\_\_\_\_, 19\_\_\_\_, less all sums already paid therefor during the month of \_\_\_\_\_, 19\_\_\_\_, by the Mortgages, less all sums already paid therefor during the month of \_\_\_\_\_, 19\_\_\_\_, by the will, becoming a lien in right of said

estimated by the Mortgagee), less all sums already paid herefor in full or in part, shall become due and payable by the Mortgagor to the Mortgagee on or before the first day of the month of January next following the date when such premiums, taxes and assessments will become delinquent, said amounts to be held by the Mortgagee in trust to pay premiums, taxes and special assessments, as herein stated.

(2) All sums so paid, being the amounts due on the original note secured hereby and the sums stated in this paragraph, shall be applied by the Mortgagee first to taxes, assessments, fire and other hazard insurance premiums, then interest upon the note secured hereby, and the balance to amortization of the principal of said note.

If, by operation of law, interest payment should be required on these funds, it shall be optional with the Mortgagee whether the timely collection of the estimated amounts shall continue.

It is agreed that the proceeds of this mortgage shall exceed the amount of the payments actually made

