

REAL ESTATE MORTGAGE

THIS INDENTURE, Made this 6th day of May, 1976,

between ROCK CREEK TERRACE, LTD., A Limited Partnership,
hereinafter called "mortgagors" and SECURITIES-INTERMOUNTAIN, INC. a corporation organized under the
laws of the State of Oregon, having its principal place of business at Portland, Oregon, hereinafter called
"mortgagee,"

WITNESSETH, That the mortgagors do by these presents, give, grant, bargain, sell, convey and war-
rant unto said mortgagee, the following described real property, situate in the County of Skamania,
State of ~~OR~~ Washington, to-wit:

....A tract of land located in Section 1, Township 2 North, Range 7, East of the
Willamette Meridian, described as follows:

Beginning at a point on the North line of said Section 1, which is 804.50 feet
West of the intersection of said North line with the West line of the H. Shepard
D.L.C.; thence South $00^{\circ} 50' 54''$ West parallel with the West line of the said
Shepard D.L.C., 34.00 feet to the South right of way line of Vancouver Avenue and
the true point of beginning; thence North $88^{\circ} 56' 55''$ West 172.73 feet to a brass
screw set in curb; thence South $01^{\circ} 33' 03''$ West 227.60 feet; thence North 82°
 $48' 05''$ West 162.97 feet, more or less, to the East right of way line of Second
Avenue; thence Southeasterly along said East line to a point which bears South
 $00^{\circ} 50' 54''$ West from the true point of beginning; thence North $00^{\circ} 50' 54''$
East parallel with the West line of the Shepard D.L.C. 499.56 feet to the true
point of beginning....



together with the tenements, hereditaments, rights, privileges and appurtenances, now or hereafter belong-
ing to or used in connection with the premises and together with all of the rents, issues and profits thereof;
also including herein the party walls, if any, on each or any side of the premises, and the agreements respect-
ing the same, and all rights in or to such party walls or under the agreements respecting the same.

It is covenanted and agreed that all trees and shrubs, awning, door and window screens, mantels,
linoleum which is glued to the floor, and all plumbing, lighting, heating, cooling, ventilating, cleaning,
elevating, watering and irrigating apparatus and fixtures, which are now or may hereafter be installed or
placed in or used in connection with the said premises, by said mortgagors or either of them, or by any of
their successors or assigns, shall be deemed and considered to be accessions to the freehold and a part of
the realty, and subject to the lien of this mortgage.

THIS INSTRUMENT IS INTENDED AS A MORTGAGE to secure the performance of the covenants
and agreements herein contained, and the payment of the debt represented by one note, of even date her-
ewith, in the principal sum of ---FIVE HUNDRED SEVENTY THOUSAND--- Dollars (\$570,000.00)
made by the mortgagors to the order of the mortgagee, with interest as therein provided, and due as
herein provided, and also such sums as may be advanced or loaned by the mortgagee to the mortgagors,
or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

Said note matures on the 5th day of February, 1977...

The mortgagors covenant lawful seisin of the premises in fee simple, good right and lawful authority to convey and mortgage the premises in the manner and form aforesaid, that the premises are free from incumbrances, that they will warrant and defend the same forever against the lawful claims and demands of all persons whomsoever, and that this covenant shall not be extinguished by any foreclosure hereof, but shall run with the land.

The mortgagors further covenant and agree:

To pay all taxes and moneys secured hereby, when from any cause the same shall become due;

To keep the premises free from statutory liens of every kind; to pay, at least ten days before delinquency or before they begin to bear interest, all taxes and assessments that may be levied, assessed or imposed upon the premises, or any part thereof, and to procure and deliver to the mortgagee within said time the official receipt of the proper officer showing payment thereof;

To pay, before delinquency, so much of all taxes and assessments levied or imposed upon this mortgage or the debt secured thereby, or any part thereof, or upon the interest of the mortgagee in the premises, as shall not, when added to the interest stated in said note, exceed the amount of interest which may lawfully be agreed upon in writing (but this covenant shall not apply to state or federal income taxes);

To pay at the option of the mortgagee, monthly, in advance, a sum equal to one-twelfth (1/12th) of the amount of the annual taxes and insurance premiums as estimated by the mortgagee;

To complete all buildings in course of construction or about to be constructed thereon within six (6) months from the date hereof in accordance with the agreement heretofore made between the parties hereto;

To keep all buildings and improvements now or hereafter placed on the property in good repair, to the satisfaction of the mortgagee, and unceasingly insured against loss or damage by fire or other hazards to the extent of the full insurable value thereof, in manner and form satisfactory to the mortgagee; to have all insurance policies whatsoever affecting the property made for the benefit of the mortgagee with standard mortgage loss clauses therein, and to deposit them with the mortgagee, and also all renewals thereof, at least five (5) days before the expiration of the old policies; and to pay all premiums and charges on all such insurance when due. It is agreed that in case of payment of any policy or any part thereof, the mortgagee may elect to apply such payment upon the debt hereby secured or to use it in rebuilding or restoring the premises. Upon the payment of the mortgage debt in full, the mortgagee shall execute and deliver to the mortgagors, or the payer, a proper satisfaction of the mortgage for record at the latter's expense.

Should the mortgagors be or become in default in any of the foregoing covenants or agreements, then the mortgagee (whether electing to declare the whole debt hereby secured due and collectible or not) may perform the same, and all expenditures made by the mortgagee in so doing, including advancements for keeping said premises in good repair or for protection, in any manner, of the premises, or income, or profits thereof, or made under any of the covenants or agreements herein, shall draw the highest rate of interest that may now lawfully be contracted for in writing, and all such expenditures shall be repayable by the mortgagors, without demand, and, together with interest and costs accruing thereon, shall be secured by this mortgage; and the rights and duties of the parties covenanted for in this paragraph shall apply equally to any and all part payments or advances made by the mortgagee for any of the purposes herein referred to. The mortgagee shall be the sole judge of the legality and validity of any taxes, assessments, or liens asserted against the property, as well as of the state of repair of any buildings or improvements thereon, and the necessity of incurring expense of such repair or for the protection of said premises, and the payment or advancement thereof by the mortgagee shall establish his right to recover the amount so paid or advanced with said interest.

The mortgagee may, at any time, without notice, release portions of the premises from the lien hereof, without affecting the personal liability of any person for the payment of said debt, or the lien hereof upon the remainder of the premises, for the full amount of the debt hereby secured then remaining unpaid.

Time is of the essence hereof, and if default be made in the payment of any of the sums hereby secured or in the performance of any of the covenants herein contained, or if any law shall be passed imposing on the mortgagee the payment of the whole or any part of the taxes or assessments which the mortgagors agree to pay, or if any court of competent jurisdiction shall render a decision that the mortgagors' undertaking to pay any such taxes or assessments is legally inoperative, or if any court of competent jurisdiction shall render a decision to the effect that this mortgage is not a first lien on the said described property, and the whole hereof, then the balance of unpaid principal with accrued interest and all other indebtedness hereby secured shall, at the election of the mortgagee, become immediately due without notice, and this mortgage may be foreclosed; but the failure of the mortgagee to exercise such option in any one or more instances shall not be considered as a waiver of the right to exercise such option in case of any default.

In case of any default in the payment of the sums secured hereby or in the performance of the covenants herein contained, whether the indebtedness is thereby matured or not, and this mortgage, with the evidence of the debt it secures, is turned over to attorneys for collection, adjustment or settlement, or in case of any action to foreclose this mortgage or to collect any charge growing out of the debt hereby secured or in any suit which the mortgagee may be obligated to defend to protect the unimpaired priority of the lien hereof, the mortgagors agree to pay a reasonable sum as attorney's fees and all costs and expenses in connection with such collection, adjustment, settlement or suit, and also the reasonable cost of searching records, which sums shall be secured hereby and included in any decree of foreclosure.

The rents, issues and profits of the property, to and until the maturity of the debt secured hereby, either by lapse of time or by reason of default of the mortgagors, shall belong to the mortgagee, but upon such maturity for any cause, the mortgagee shall have the right forthwith to enter into and upon the premises and take possession thereof, and to collect the rents, issues and profits thereof, and apply the same, less reasonable costs of collections, upon the debt hereby secured, and the mortgagee shall have the right to the appointment of a receiver to collect the rents, issues and profits. The mortgagor further warrant and covenants that the right to receive and collect rents, issues, and profits on the premises has not been assigned to any third party, but is and shall be subject completely to the lien of this mortgage.

The mortgagors consent to a personal deficiency judgment for any part of the debt hereby secured which shall not be paid by a sale of said property.

The covenants and agreements herein are joint and several, and binding upon our, and each of our, successors in interest, and shall inure to the benefit of any successors in interest of the mortgagee.

Witness:

ROCK CREEK TERRACE, LTD., A Limited Partnership

Berwick L. Wood
Berwick L. Wood, General Partner
Bruce Kamhoot
Bruce Kamhoot, General Partner

Richard L. Bailey (SEAL)
Richard L. Bailey, General Partner
(SEAL)

STATE OF OREGON,

County of CLACKAMAS

ss.

BE IT REMEMBERED, That on this 5th day of May, 1976, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Berwick L. Wood, Richard L. Bailey and Bruce Kamhoot

known to me to be the identical individual(s) described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Betty J. Hansen
Notary Public for Oregon.
My Commission expires August 26, 1979

STATE OF OREGON,

County of

ss.

On this day of , 19 , before me appeared

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 of

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 said and acknowledged said instrument to be the free act and deed of said Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Notary Public in and for the State of Oregon
Residing at
My Commission expires