

REAL PROPERTY MORTGAGE

THE MORTGAGOR, JOHN R. BLAY and KATHY D. BLAY, husband and wife, and W. JACK SPRINKEL and GEORGENE SPRINKEL, husband and wife, do by this instrument mortgage unto JOHN W. STEVENSON, an unmarried man, hereinafter referred to as "mortgagee", the following described real property situated in Skamania County, State of Washington, to-wit:

The South half of the Southeast quarter of Section 34, Township 2 North, Range 5 East of the Willamette Meridian.
 SUBJECT TO right of ways for public roads and
 SUBJECT TO easements and reservations as now appear of record concerning said property.

THIS WILL CERTIFY that the foregoing property is not used primarily for farming or agricultural purposes.

This mortgage is given to secure the performance of the covenants herein contained and the payment of the principal sum of TWO HUNDRED TWELVE THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$212,400.00), plus interest thereon, according to the terms of a promissory note executed by Mortgagor and bearing even date herewith, and this mortgage likewise secures any extensions or renewals of the same.

Mortgagor covenants that he is the lawful owner of the above described real property and has the full lawful right to execute and deliver the within mortgage; that the above described property is free of liens or encumbrances except as may be noted above; that Mortgagor will pay prior to the due date for the same all real property taxes and any other governmental or municipal assessments or charges of every kind or nature levied upon the property during the term of this mortgage. It is understood that the property herein is now classified on a current use basis for property tax purposes, and that the change of such use may subject the property to the assessment of a compensating tax for prior years, and Mortgagor specifically assumes the payment of any such additional taxes or assessments arising by virtue of any change of use or designation. That Mortgagor will permit or suffer no waste of the property and will at all times maintain the mortgaged premises in a clean and sanitary condition and in a good state of repair and maintenance; that Mortgagor will seasonably pay any other charges in connection with the property for the management and development of the same, or otherwise, to the end that no liens for the same may attach to the premises, and Mortgagor covenants in all things concerning the premises to manage and protect the same so as to preserve the Mortgagee's security interest therein. If Mortgagor shall fail or neglect to pay the several sums above mentioned, or shall neglect any charge which may attach as a lien thereon, then Mortgagee may, at his election, make any such payments or otherwise perform any such covenants, and any sums so paid or incurred by Mortgagee thereby shall be forthwith repayable by Mortgagor on demand, and any such advances by Mortgagee shall likewise be secured by the lien of this mortgage.

Time is of the essence of this mortgage. If Mortgagor shall default in the payment of the sums secured hereby, or shall fail or neglect to perform the several terms and conditions of this mortgage, then all sums secured hereby shall become immediately due and payable at the option of Mortgagee, and the Mortgagee, at his election, may proceed to foreclose this mortgage as provided by law. In such foreclosure proceedings Mortgagee shall be entitled to the appointment of a receiver to take possession of the mortgaged premises and to collect and receive the income and rents therefrom and to exercise such other

powers as the court shall provide. In event of such foreclosure proceedings, or if Mortgagee shall otherwise become obligated to institute or defend any suit or action to protect the priority of this mortgage, or to preserve the premises herein, then Mortgagor covenants to pay such sum as the court shall adjudge reasonable as attorney fees in said suit, together with the costs of any such action and the necessary expense of searching public records concerning the mortgaged premises.

It is understood that this mortgage is given to secure the balance of the purchase price for the property described herein, and that Mortgagor intends to develop the property for residential purposes; that a preliminary plat of such development known as CROWN VIEW TERRACE has been prepared by Olson Engineering; that such preliminary plat is on file with the Planning Commission of Skamania County, Washington, and has received the preliminary approval of said commission. Mortgagee agrees to proceed with the development of said plat, including the installation of such roads, water systems or other improvements as may be required to obtain the final approval and recording of said plat. Mortgagee assumes no expense in connection with any such development of the property and/or the completion or dedication of the plat of the same, all of which expenses are assumed by Mortgagor, and which expenses shall be at all times junior in priority to the lien of this mortgage. Subject to the foregoing Mortgagee agrees to cooperate concerning the development and platting of the property, including the execution of the dedication of the plat of the same.

Mortgagee further agrees after the final approval of said plat and the completion of the roads, water system and other improvements required for such final plat approval, and provided this mortgage and the promissory note secured hereby is not then in default, to release from the lien of this mortgage such lot or lots of the plat as Mortgagor shall designate upon the payment of the sums designated below for each such lot, such payments to be credited upon the principal of the note secured hereby, to-wit:

Lot 1	\$6,500.00	Lot 21	\$6,500.00
" 2	7,000.00	" 22	6,500.00
" 3	7,000.00	" 23	6,500.00
" 4	6,800.00	" 24	6,500.00
" 5	8,000.00	" 25	6,500.00
" 6	7,700.00	" 26	6,500.00
" 7	7,000.00	" 27	7,000.00
" 8	7,000.00	" 28	7,000.00
" 9	7,000.00	" 29	6,700.00
" 10	6,500.00	" 30	6,900.00
" 11	6,500.00	" 31	7,000.00
" 12	6,900.00	" 32	7,500.00
" 13	7,500.00	" 33	8,000.00
" 14	7,500.00	" 34	8,000.00
" 15	7,500.00	" 35	7,800.00
" 20	6,500.00	" 36	7,900.00
		" 37	6,500.00
		" 38	6,700.00
		" 39	6,700.00

Lot 19 (Southerly portion) \$5,000.00

The foregoing provisions for partial payments and releases are subject to the limitation of payments as provided in the promissory note secured hereby; PROVIDED ALWAYS, that Mortgagee will not be obligated to grant any such partial release which will unreasonably impair Mortgagee's security interest in the property.

IN WITNESS WHEREOF, the parties have executed this instrument
this 20 day of August, 1979.

MORTGAGEE

John W. Stevenson
John W. Stevenson

MORTGAGOR

John R. Blay
John R. Blay

Kathy D. Blay
Kathy D. Blay

W. Jack Sprinkel
W. Jack Sprinkel

Georgene Sprinkel
Georgene Sprinkel

STATE OF WASHINGTON)
County of Clark) ss.

On this day personally appeared before me JOHN W. STEVENSON, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 20 day of August, 1979.

Notary Public in and for the State of Washington, residing at Camas.

STATE OF WASHINGTON)
County of Clark) ss.

On this day personally appeared before me JOHN R. BLAY, KATHY D. BLAY, W. JACK SPRINKEL and GEORGENE SPRINKEL, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 30 day of August, 1979.

Sherry L. Mays
Notary Public in and for the State of Washington, residing at Camas
Battle Ground

MAIL TO:

MILLER & LAHMANN
ATTORNEYS AT LAW
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