

MORTGAGE RECORD U

SKAMANIA COUNTY, WASHINGTON

(b) A sum equal to one-twelfth ($1/12$) of one-half of one per centum ($\frac{1}{2}\%$) of the amount of principal then remaining unpaid under the said note, which sum is more particularly to cover the expenses of handling the monthly payments on account of taxes, assessments and fire and other hazard insurance hereinafter provided for, and to cover the other servicing costs in connection with this mortgage and the note secured hereby.

(c) An installment of the ground rents, if any, and of the taxes and assessments levied or to be levied against the premises covered by this mortgage; and an installment of the premium or premiums that will become due, and payable to renew the insurance on the premises covered hereby against loss by fire or such other hazard as may reasonably be required by the mortgagee in amounts, and in a company or companies, satisfactory to such mortgagee. Such installments shall be respectively to one-twelfth ($1/12$) of the annual ground rent, if any, plus the estimated premium or premiums for such insurance and taxes and assessments next due (as estimated by the mortgagee) less all installments already paid therefor, divided by the number of months that are to elapse before one month prior to the date when such ground rent, premium or premiums and taxes and assessments will become due. The mortgagee shall hold these monthly payments in trust to pay such ground rent, premium or premiums and taxes and assessments when due.

(d) All payments mentioned in the three preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid by the mortgagor each month in a single payment to be applied by the mortgagee to the following items in the order set forth.

- I. premium charges under the contract of insurance with the Federal Housing administrator;
- II. service charge as set forth in subsection (b) above;
- III. ground rents, taxes, assessments, fire and other hazard insurance premiums;
- IV. interest on the note secured hereby; and
- V. amortization of the principal of said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage.

3. If the total of the payments made by the mortgagor under (c) of paragraph 2 preceding shall exceed the amount of payments actually made by the mortgagee for ground rent, taxes or assessments or insurance premiums, as the case may be, such excess shall be credited by the mortgagee on subsequent payments of the same nature to be made by the mortgagor. If, however, the monthly payments made by the mortgagor under (c) of paragraph 2 preceding shall not be sufficient to pay ground rent, taxes or assessments or insurance premiums, as the case may be, when the same shall become due and payable, then the mortgagor shall pay to the mortgagee any amount necessary to make up the deficiency on or before the date when payment of such ground rent, taxes, assessments or insurance premiums shall be due. If at any time the mortgagor shall tender to the mortgagee, in accordance with the provisions of the note secured hereby, full payment of the entire indebtedness represented thereby, the mortgagee shall, in computing the amount of such indebtedness, credit to the account of the mortgagor all payments made under the provisions of (a) of paragraph 2 hereof which the mortgagee has not become obligated to pay to the Federal Housing Administrator, and any balance remaining in the funds accumulated under the provisions of (c) of paragraph 2 hereof. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby, the mortgagee shall be, and hereby is, authorized and empowered to apply, at the time of the commencement of such proceedings, the balance then