

MORTGAGE RECORD U

SKAMANIA COUNTY, WASHINGTON

istrator on account of mortgage insurance.

2. That, in order more fully to protect the security of this mortgage, the mortgagor, together with, and in addition to, the monthly installments of principal and interest payable under the terms of the note secured hereby, on the first day of each month until the said note is fully paid, will pay to the mortgagee the following sums:

(a) If this mortgage and the note secured hereby are insured under the provisions of the National Housing Act and so long as they continue to be so insured, one-twelfth ($1/12$) of one-half of one per centum ($\frac{1}{2}\%$) of the original principal amount of the said note for the purpose of putting the mortgagee in funds with which to discharge the mortgagee's obligation to the Federal Housing Administrator for mortgage insurance premiums pursuant to the provisions of Title II of the National Housing Act and regulations thereunder. The mortgagee shall, on the termination of its obligation to pay mortgage insurance premiums, credit to the account of the mortgagor all payments made under the provisions of this subsection which the mortgagee has not become obligated to pay to the Federal Housing Administrator.

(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 of 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 reasonable be required by the mortgagee in amounts, and in a company or companies, satisfactory to such mortgagee. Such installments shall be equal 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 delinquent. The mortgagee shall hold these monthly payments in trust to pay such ground rent, premium or premiums and taxes and assessments before the same become delinquent.

(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 payments 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. The mortgagee may collect a "late charge" not to exceed two cents (2¢) for each dollar (\$1) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments.

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,