

at the rate of 4½ per cent per annum, payable semi-annually, on the whole of said principal sum from time to time remaining unpaid, both principal and interest being payable to the said mortgagee at its office in the City of Spokane, State of Washington, on an amortization plan: the first payment of interest being payable on July 1st, 1940, and thereafter principal and interest being payable in 39 semi-annual installments of \$41.25 each and a final installment of \$31.82 which is due in 20½ years from date hereof, unless matured sooner by extra payments on account of principal; and providing also for reasonable attorney's fees in addition to other costs in case of suit thereon. Installments not paid when due shall bear interest thereafter until paid at the rate of 8 per cent per annum.

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

And each of the mortgagors further covenants and agrees:

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

Not to permit the buildings on said premises to become vacant or unoccupied; not to remove or demolish or permit the removal or demolition of any buildings or improvements now or hereafter existing on said premises; not to cut or remove or permit the cutting or removal of timber from said premises except for domestic use; to maintain and cultivate the premises in a good and husband-like manner using approved methods of preserving the fertility of the cultivated portions thereof; to keep the orchards on said land properly irrigated, cultivated, sprayed and cared for; not to commit or suffer waste of any kind whatsoever upon said premises; and not to use or permit the use of said premises for any unlawful or objectionable purpose;

Not to permit or suffer any tax, assessment, or other lien or encumbrance prior to the lien of this mortgage, to exist at any time against said premises;

To procure and deliver to the mortgagee before any interest or penalty on any tax or assessment shall begin to run or accrue, the official receipt of the proper officer showing payment thereof;

To complete all buildings in course of construction, or about to be constructed thereon, if any, within a reasonable time from the date hereof in accordance with any agreement heretofore made between the parties hereto;

To keep all buildings in good repair and unceasingly insured against loss or damage by fire in manner and form and in such company or companies and in such amount as shall be satisfactory to the mortgagee; to pay all premiums and charges on all such insurance when due; to deposit with the mortgagee all insurance policies whatsoever affecting the mortgaged premises, with receipts showing payment in full of all premiums and charges affecting said policies; and that all insurance whatsoever affecting the mortgaged premises shall be made payable, in case of loss, to the mortgagee, with mortgagee clause in favor of and satisfactory to the mortgagee. The mortgagee shall be entitled to receive the proceeds of any loss under any such policy, which, if not used in accordance with the rules and regulations of the Land Bank Commissioner for repair or reconstruction of the buildings damaged or destroyed, may be applied by the mortgagee upon the indebtedness hereby secured in such manner as it shall elect.