



COLLECTION ESCROW RESERVE ACCOUNT INSTRUCTIONS

The parties signed below desire to establish a collection reserve account for the purpose of holding funds to pay taxes and insurance on the property described as:

Santiam Escrow, Inc. shall not be responsible to monitor payment for these items, but shall only pay tax and insurance bills if they are presented to the escrow. Payments shall be made only in the amount of funds on deposit in the reserve account, and the escrow agent shall not be liable to make up any shortage of funds.

The escrow agent will notify the parties if funds are insufficient to pay the bills in full, and Buyer/Payor agrees to immediately deposit the amount of the shortage into the reserve account. Santiam Escrow, Inc. shall not be responsible if Buyer/Payor does not comply with the request for additional funds.

Excess funds in the reserve will be used to reduce the next year's monthly reserve payment. Annual adjustments will be based on 1/12 of the current year's tax and insurance bills. Special relief programs or reductions to prior-year billings will not be considered in the calculation.

INTEREST, EARNINGS CREDITS AND BANKING BENEFITS

The parties authorize Santiam Escrow, Inc. to maintain reserve funds in a federally insured interest-bearing escrow trust account. Any interest, earnings credits, fee offsets, service-charge credits, or other banking benefits generated by those funds are the sole property of Santiam Escrow, Inc. and will not be allocated, credited, or paid to either party.

RESERVE AMOUNTS AND ACCOUNT INFORMATION

Monthly amount for taxes:

Monthly amount for insurance:

Taxes - County:

Tax account no.:

Insurance company:

Policy no.:

Additional instructions:

Fees for setup and disbursement will be charged in accordance with the current Santiam Escrow, Inc. fee schedule.

Dated this

day of

SELLER / PAYEE

BUYER / PAYOR