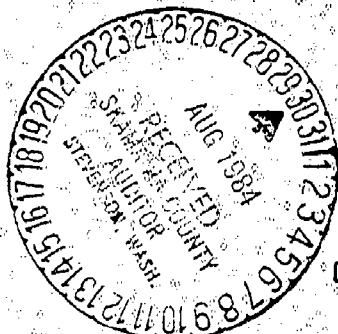


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BOOK 60 PAGE 674

515-01168

DEED OF TRUST

THIS DEED OF TRUST is made this 29th day of August, 1984, among the Grantors, ARNOLD J. ANTHONY AND BARBARA N. ANTHONY, husband and wife

SKAMANIA COUNTY TITLE COMPANY (herein "Borrower")
(herein "Trustee"), and the Beneficiary, VANCOUVER FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation organized and existing under the laws of the United States of America, whose address is 1205 Broadway, Vancouver, Washington (herein "Lender").

BORROWER, in consideration of the indebtedness herein recited and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described properties, to-wit:

PARCEL I. County of Clark, State of Washington

That portion of the Southwest quarter of Section 8, Township 1 North, Range 4 East of the Willamette Meridian in Clark County, Washington, lying in the C. C. Stiles Donation Land Claim, described as follows:

BEGINNING at a point 194.75 feet East of the intersection of the West line of said Claim with the centerline of the County Road, being an extension of Second Street in the Town of Washougal; thence East along the centerline of said Road, 95.25 feet; thence North 230 feet; thence West 95.25 feet; thence South 230 feet to the point of beginning.

EXCEPT portion lying within Public Road or Street.

And all of the Grantor's interest in that real estate contract dated April 4, 1978 and recorded May 9, 1978 under Clark County, Washington Auditor's File Number 7805090080; between MARK H. ZOLLER and CHERYL A. ZOLLER, husband and wife, as to an undivided one-half interest and GORDON E. MESSICK, a single man, as to an undivided one-half interest, as sellers and ARNOLD J. ANTHONY and BARBARA N. ANTHONY, husband and wife, as purchasers, under Purchaser's Assignment of Contract and Deed dated May 18, 1984 and recorded under Clark County, Washington Auditor's File #8406070152, affecting the above described property.

PARCEL II - County of Skamania, State of Washington

Lots 3 and 4, Block 6 of Riverview Addition of the Town of Stevenson, according to the official plat thereof on file and of record at Page 21, Book "A" of Plats, records of Skamania County, Washington.

And all of the Grantor's interest in that real estate contract dated AUGUST 1, 1979 and recorded August 6, 1979 under Skamania County, Washington, recording #89162 in Book 76 of Deeds at page 975-976, between LESLIE D. PERRY and KATHLEEN E. PERRY, husband and wife as Vendors and ARNOLD J. ANTHONY and BARBARA N. ANTHONY, husband and wife as Vendee, under purchaser's assignment of contract and deed dated May 17, 1984 and recorded under Skamania County, Washington recording #97686 in Book 83 of Deeds at page 512, affecting the above described property.

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents (subject however to the rights and authorities given herein to Lender to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be

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deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with said property (or the leasehold estate if this Deed of Trust is on a leasehold) are herein referred to as the "Property".

TO SECURE to Lender (a) the repayment of the indebtedness evidenced by Borrower's note dated August 29, 1984 (herein "Note"), in the principal sum of TWO HUNDRED THOUSAND AND NO/100-

-----DOLLARS, with interest thereon, providing for semi-annual installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on May 1, 1989, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust; and the performance of the covenants and agreements of Borrower herein contained; and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 23 hereof (herein "Future Advances").

That the Borrower is purchasing under contract of sale the above-described real property and that he has good right to make this Deed of Trust, and that he will forever warrant and defend said property unto the Lender, its successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof. The Lender upon request by mail will furnish a written statement duly acknowledged of the amount due on this Deed of Trust and whether any offsets or defenses exist against the debt secured hereby.

Borrower and Lender covenant and agree as follows:

1. PAYMENT OF PRINCIPAL AND INTEREST. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by the Deed of Trust.

2. TAXES AND ASSESSMENTS. To pay before delinquent all lawful taxes and assessments upon the Property; to keep the property free and clear of all other charges, liens or encumbrances impairing the security of this Deed of Trust. To comply with all of the terms, covenants, and conditions of the following encumbrance referred to above on the above described Parcels I and II, to-wit:

PARCEL I

Real Estate contract BETWEEN MARK H. ZOLLER and CHERYL A. ZOLLER, husband and wife, as to an undivided one-half interest and GORDON E. MESSICK, a single man, as to an undivided one-half interest, as sellers, and ARNOLD J. ANTHONY and BARBARA N. ANTHONY, husband and wife, as purchasers, under purchaser's assignment of contract and deed dated May 18, 1984 and recorded under Clark County, Washington Auditor's File #8406070152.

PARCEL II

Real estate contract dated August 1, 1979 and recorded August 6, 1979 under Skamania County, Washington recording #89162 in Book 76 of Deeds, at page 975-976, between LESLIE D. PERRY and KATHLEEN E. PERRY, husband and wife as VENDOR and ARNOLD J. ANTHONY and BARBARA N. ANTHONY, husband and wife as Vendee, under purchaser's assignment of contract and deed, dated May 17, 1984 and recorded under Skamania County, Washington recording #97686 in Book 83 of Deeds at page 512.

3. REIMBURSEMENT FOR ADVANCES. Should Borrower fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the Property hereinabove described, Lender, at its election, may pay the same, and the

amount so paid, with interest at the rate set forth in the note secured hereby shall be repaid to Lender by Borrower or shall be added to and become a part of the debt secured by this Deed of Trust, whichever Lender shall elect.

4. APPLICATION OF PAYMENTS. Unless applicable law provides otherwise, all payments received by Lender under the Note and Paragraph 1 and 3 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 3 hereof, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.

5. CHARGES: LIENS. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, required payments on underlying indebtednesses, and leasehold payments or ground rents, if any, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Deed of Trust; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

6. HAZARD INSURANCE. To keep all improvements now or hereafter erected on the Property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust and any other security instruments given to any other party. All policies shall be in such companies as the Lender may approve and have loss payable first to the Lender as its interest may appear and then to the Borrower. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Lender shall determine. Such application by the Lender shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Borrower in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

6. MAINTENANCE AND UPKEEP. To keep the Property in good condition and repair; to permit no waste thereof; to restore promptly any building, structure or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.

8. PROTECTION OF LENDER'S SECURITY. If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. Any amounts disbursed by Lender pursuant to this paragraph with interest thereon, shall become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on

outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder.

9. **INSPECTION.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

10. **CONDEMNATION.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender and applied on the sums secured by this Deed of Trust and if any excess remain after payment in full, the excess shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraph 1 hereof or change the amount of such installments.

11. **BORROWER NOT RELEASED.** Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower and Borrower's successors in interest.

12. **FORBEARANCE BY LENDER NOT A WAIVER.** Any forbearance by Lender in exercising any right or remedy hereunder or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Deed of Trust.

13. **REMEDIES CUMULATIVE.** All remedies provided in this Deed of Trust are distinct and cumulative to any others right or remedy under this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively.

14. **THE POWER OF SALE** conferred by this Deed of Trust and by statute of the State in which property is located is not an exclusive remedy; Lender may cause this Deed of Trust to be foreclosed as to a mortgage.

15. **SUCCESSORS AND ASSIGNS BOUND: JOINT AND SEVERAL LIABILITY: CAPTIONS.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower subject to the provisions of paragraph 19 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and

headings of the paragraphs of this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

16. NOTICE. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust shall be given by mailing such notice by certified mail addressed to Borrower at the following address: 15422 NE 28th Avenue, Vancouver, Washington 98662

or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in the Deed of Trust shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

17. GOVERNING LAW: SEVERABILITY. This Deed of Trust shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust and the Note are declared to be severable.

18. BORROWER'S COPY: Borrower shall be furnished a conformed copy of the Note and of this Deed of Trust at the time of execution or after recordation hereof.

19. TRANSFER OF THE PROPERTY: ASSUMPTION. If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, Lender may, at Lender's option, declare all the sums secured by this Deed of Trust to be immediately due and payable.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 16 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 20 hereof.

20. ACCELERATION: REMEDIES. Except as provided in paragraph 19 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, including the covenants to pay when due any sums secured by this Deed of Trust, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 14 hereof specifying (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph including, but not limited to, reasonable attorney's fees.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold, and shall cause such notice to be recorded in each county in which the Property or some part thereof is located. Lender or Trustee shall give notice of sale in the manner prescribed by applicable law to Borrower and to the other persons prescribed by applicable law. After the lapse of such time as may be required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or Lender's designee may purchase the property at any sale.

Trustee shall deliver to the purchase Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable Trustee's and attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled thereto.

21. BORROWER'S RIGHT TO REINSTATE. Notwithstanding Lender's acceleration of the sums secured by this Deed of Trust, Borrower shall have the right to have any proceedings begun by Lender to enforce this Deed of Trust discontinued at any time prior to the earlier to occur of (i) the fifth day before sale of the Property pursuant to the power of sale contained in the Deed of Trust or (ii) entry of a judgment enforcing this Deed of Trust if (a) Borrower pays Lender all sums which would be then due under this Deed of Trust, if, the Note and notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Deed of Trust; (c) Borrower pays all reasonable expenses incurred by Lender and Trustee in enforcing the covenants and agreements of Borrower contained in this Deed of Trust and in enforcing Lender's and Trustee's remedies as provided in paragraph 20 hereof, including, but not limited to, reasonable attorney's fee; and (c) Borrower takes such action as Lender may reasonably require to assure that the lien of this Deed of Trust, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired. Upon such payment and cure by Borrower, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

22. ASSIGNMENT OF RENTS: APPOINTMENT OF RECEIVER: LENDER IN POSSESSION. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property provided that Borrower shall, prior to acceleration under paragraph 20 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 20 hereof or abandonment of the Property, Lender, in person, any agent or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property, including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receivers bonds and reasonable attorney's fees, and then to the sums secured by this Deed of Trust. Lender and the receiver shall be liable to account only for those rents actually received.

23. FUTURE ADVANCES. Upon request of Borrower, Lender, at Lender's option prior to full reconveyance of the Property by Trustee to Borrower, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Deed of Trust when evidenced by promissory notes stating that said notes are secured hereby.

24. RECONVEYANCE. Upon payment of all sums secured by this Deed of Trust, Lender shall request Trustee to reconvey the Property and shall surrender this Deed of Trust and all notes evidencing indebtedness secured by this Deed of Trust to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled thereto. Such person or persons shall pay all costs of recordation, if any.

25. SUBSTITUTE TRUSTEE. In accordance with applicable law, Lender may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed, to all the title, power and duties conferred upon the Trustee herein and by applicable law.

26. USE OF PROPERTY. The Property is not currently used for agricultural, farming, timber, or grazing purposes.

27. ATTORNEY'S FEES. As used in this Deed of Trust and in the Note, "attorney's fees" shall also include attorney's fees, in any, which shall be awarded by any trial or appellate court.

IN WITNESS WHEREOF, Borrower has executed this Deed of Trust.

Arnold J. Anthony
Arnold J. Anthony

Barbara N. Anthony
Barbara N. Anthony
By Arnold J. Anthony AIF

STATE OF Washington

County of Clark

On this 29th day of August, A. D. 19 84, before me, the undersigned, a Notary Public in and for the State of Washington, and sworn, personally appeared Arnold J. Anthony, duly commissioned to me known to be the individual described in and who executed the foregoing instrument for him self and as attorney in fact of Barbara N. Anthony also therein described, and acknowledged to me that he signed and sealed the same as his voluntary act and deed and as the free and voluntary act and deed of the said Barbara N. Anthony for the uses and purposes therein mentioned, and on oath stated that the power of attorney authorizing the execution of this instrument has not been revoked and that the said Barbara N. Anthony is now living.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Billy J. Brown

Notary Public in and for the State of Washington

residing at Vancouver

Form L 31 (Acknowledgment by Self and as Attorney in Fact, Pioneer National Title Insurance Company)