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SKAMANIA CO. WASH  
BY MT. ADAMS TITLE

Nov 24 4 11 PM '87

AUDITOR  
CARY M. OLSON

Recording Requested by:  
and when Recorded Mail to:  
Lindsay, Hart, Neil & Weigler  
222 S.W. Columbia, Suite 1800  
Portland, Oregon 97201

Attention: Douglas E. Goe

**DEED OF TRUST, SECURITY AGREEMENT AND  
ASSIGNMENT OF LEASES AND RENTS**

This Deed of Trust, Security Agreement and Assignment of Leases and Rents (hereinafter called the "Deed of Trust") is made as of November 1, 1987, between Stevenson Co-Ply, Inc., a Washington corporation, as Grantor, whose address is P. O. Box 910, Stevenson, Washington 98648; Mt. Adams Title Company, as Trustee, whose address is 1000 East Jewett Blvd, White Salmon, Washington 98672; the Industrial Development Corporation of Skamania County, a public corporation of the State of Washington (the "Issuer"), whose address is 27 Russell Street, Stevenson, Washington 98648, Attention: President; and Rainier National Bank (the "Bank"), whose address is P.O. Box 3966, T18-2, Seattle, Washington 98124, Attention: Robert M. Ingram III. The Bank and the Issuer are hereinafter collectively referred to as the "Beneficiary"; provided that, for so long as any amount is due or owing to the Bank under the Credit Agreement (as defined below) or the Letter of Credit (as defined below) has not expired, all discretionary rights of the Beneficiary under this Deed of Trust shall be exercisable by the Bank.

**W I T N E S S E T H:**

WHEREAS, a Loan Agreement dated as of November 1, 1987, (the "Loan Agreement"), has been duly executed between the Issuer and the Grantor; and

WHEREAS, the Issuer, by a Resolution (the "Bond Resolution") adopted on November 16, 1987 and an Indenture of Trust (the "Indenture") dated as of November 1, 1987, between the Issuer and Oregon First Bank (the "Bond Trustee"), has authorized the issuance of the Issuer's Industrial Development Revenue Bonds, Series 1987 (Stevenson Co-Ply, Inc. Project), in the aggregate principal amount of \$7,000,000 (the "Bonds") initially sold to The Prudential Insurance Company of America (together with any subsequent registered holder thereof the "Bondholder"), which Bonds are secured by an assignment of all of the right, title and interest of the Issuer in and to the Loan Agreement (except for certain rights to indemnification and compensation),

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including loan repayments in the principal amount of Seven Million Dollars (\$7,000,000) with interest on such principal and any premium payable thereunder; and

WHEREAS, to secure the Bonds, in part, all right, title and interest of the Issuer hereunder will be assigned to the Bond Trustee under the terms of the Indenture; and

WHEREAS, the Bonds will be paid from and secured in part by an irrevocable direct pay letter of credit (the "Letter of Credit") issued at the request of the Grantor in favor of the Bond Trustee by the Bank pursuant to the Letter of Credit Agreement between the Bank and the Grantor dated as of November 1, 1987 (the "Credit Agreement"); and

WHEREAS, as an inducement to the issuance of the Bonds and the Letter of Credit, the Grantor has unconditionally agreed to execute, deliver and perform all provisions, terms and conditions of this Deed of Trust;

NOW, THEREFORE, to secure the repayment of all amounts due and payable by the Grantor under the Loan Agreement and the Credit Agreement as the same shall become due and payable according to their tenor, and to secure the performance and observance of all the provisions therein and herein contained, and for and in consideration of the Loan (as defined in the Loan Agreement) and the issuance of the Letter of Credit, Grantor by these presents does hereby irrevocably grant, bargain, sell and convey to Trustee in trust, with power of sale, the property described in Exhibit "A" attached hereto and by reference included herein, which property is located in Skamania County, Washington.

TOGETHER with:

(a) All and singular lands, tenements, privileges, water rights, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, rights, title, claim, interest and demand whatsoever of the Grantor, either in law or equity, of, in and to the bargained property; TO HAVE AND TO HOLD said property bargained and described, together with all and singular the lands, tenements, privileges, water rights, hereditaments and appurtenances there belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all of the estate, right, title, claim and demands whatsoever of the Grantor, either in law or in equity, of, in and to the above bargained property, forever as security for the faithful performance of the Loan Agreement and the Credit Agreement secured hereby and as security for the faithful performance of each and all of the covenants,

agreements, terms and conditions of this Deed of Trust, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits; and

(b) All the estate and rights of Grantor in and to said property and in and to land lying in streets and roads adjoining said property, and all access rights and easements appertaining thereto; and

(c) All buildings, structures, improvements, fixtures and articles of property now or hereafter attached to, or used adapted for use in the operation of, the said property, including but without being limited to, all heating and incinerating apparatus and equipment whatsoever, all boilers, engines, motors, dynamos, generating equipment, piping and plumbing fixtures, ranges, cooking apparatus and mechanical kitchen equipment, refrigerators, cooling, ventilating, sprinkling and vacuum cleaning systems, fire extinguishing apparatus, gas and electric fixtures, carpeting, underpadding, elevators, escalators, partitions, mantels, built-in mirrors, window shades, blinds, screens, storm sash, awnings, furnishings or public spaces, halls and lobbies, and shrubbery and plants; and including also all interest of any owner of the said property in any of such items hereafter at any time acquired under conditional sale contract, security agreement or other title retaining or security instrument, all of which property mentioned in this paragraph shall be deemed part of the realty and not severable wholly or in part without material injury to the freehold; and

(d) All of the rights of Grantor further to encumber said property for debt; Grantor hereby (i) representing as a special inducement to Issuer to make the Loan and to the Bank to issue the Letter of Credit that as of the date hereof there are no encumbrances to secure debt senior to this Deed of Trust that have not been subordinated to this Deed of Trust, except as permitted by Exhibit "B" attached hereto (ii) covenanting that there will be none as of the date when this Deed of Trust becomes of record and (iii) covenanting that there will be none for so long as the Loan Agreement or the Credit Agreement are outstanding, other than the Permitted Encumbrances as described on Exhibit "B" attached hereto or the liens permitted under the Credit Agreement; and all of the rights of Grantor to enter into any lease or lease agreement which would create a tenancy that is or may become subordinate in any respect to any mortgage or Deed of Trust other than this Deed of Trust.

All of the above described property and interest therein are hereinafter referred to as the "Premises."

Without limiting the foregoing, Grantor also hereby grants to the Beneficiary a security interest in all of the



following described property, whether Grantor now has or hereafter obtains any right, title, estate or interest:

(e) All goods located on the Premises and used in the operation or occupancy of the Premises or in any construction on the Premises but which are not effectively made real property under the preceding provisions of this Deed of Trust (but excluding any personal property owned by the general contractor) including but not limited to all building materials, supplies and equipment; and

(f) All general intangibles relating to the development or use of the Premises, including but not limited to all governmental permits relating to construction on the Premises, all names under or by which the Premises or any improvements on the Premises may at any time be operated or known, and all rights to carry on business under any such names or any variant thereof, and all trademarks and goodwill in any way relating to the Premises; and

(g) All personal property of every kind and description owned by Grantor (but excluding any personal property owned by the general contractor) and located on or appurtenant to the Premises and used in connection with the management or operation of the Premises; and

(h) Any portion of the Premises which at any time is, or is construed to be, personal property; and

(i) Insofar as permitted by applicable law, any licenses (including but not limited to any operating licenses or similar matters), contracts, management contracts or agreements, franchise agreements, permits, authorities or certificates required or used in connection with the ownership of, or the operation or maintenance of, the Premises or any improvements thereon or any of the property described in clauses (e) through (h) hereinabove; and

(j) All of Grantor's interest in and to any and all contracts or agreements with contractors or architects, or otherwise with respect to the development or construction of improvements on the Premises, and in and to all plans, specifications, studies, drawings, and other design documents and data with respect to the Premises prepared by or for Grantor; and

(k) Any and all proceeds of any or all of the foregoing described property. As used herein, the term proceeds shall be construed in its broadest sense and shall include whatever is receivable or received when any of the foregoing property or any proceeds thereof is sold, collected, exchanged or otherwise disposed of, whether voluntarily or involuntarily, and shall include without limitation all rights to payment, including

interest and premiums, with respect to any of the foregoing property or any proceeds thereof.

All of the above described property and interests therein set forth in clauses (e) through (k) are hereinafter referred to collectively as the "Personal Property"; provided, however, that the Personal Property shall not include any property or interest therein described in clauses (e) through (k) purchased, constructed or otherwise acquired on or after November 25, 1987 except for property or interests therein purchased, constructed or acquired by Grantor to replace Personal Property which is described above and except Personal Property purchased, constructed or acquired with the loan proceeds under the Loan Agreement and also shall not include any "inventory" of Grantor within the meaning of the Uniform Commercial Code of the State of Washington.

THIS DEED IS GIVEN FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor incorporated by reference or contained herein or contained in any other agreement given by Grantor for the purpose of securing any payment hereby and payment of the sum of Seven Million Dollars (\$7,000,000), with interest thereon and any premium payable according to the terms of the Loan Agreement, and all sums due and owing to the Bank so long as the Credit Agreement is in effect; all renewals, modifications or extensions thereof; and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon; and also any amounts outstanding under any other securing instruments now or hereafter executed by the Grantor in favor of the Beneficiary.

The Grantor represents, warrants, covenants and agrees as follows:

1. Deed of Trust/Security Agreement.

(a) This Deed of Trust constitutes a security agreement with respect to all Personal Property in which Beneficiary is granted a security interest hereunder, and Beneficiary shall have all of the rights and remedies of a secured party under the Uniform Commercial Code of the State of Washington as well as all other rights and remedies available hereunder or at law or in equity or by judicial decision. Grantor hereby agrees, at Grantor's cost and expense, to execute and deliver and, if appropriate, to file with the appropriate filing officer or office, such security agreements, financing statements, continuation statements or other instruments as Beneficiary may request or require to impose, perfect or continue the perfection of, or protect, the lien and security interest created by this Deed of Trust.



Grantor and Beneficiary agree that the filing of any such financing or continuation statement in the records normally having to do with personal property shall never be construed as in anywise derogating from or impairing this declaration and hereby stated intention of the parties hereto, that everything used in connection with the production of income from the Premises and/or adopted for use therein and which is described or reflected in this Deed of Trust is, and at all times and for all purposes and in all proceedings both legal or equitable shall be, regarded as part of the real estate irrespective of whether (i) any such item is physically attached to the improvements, (ii) serial numbers are used for the better identification of certain equipment or items capable of being thus identified in a recital contained in this Deed of Trust or in any lien filed with the Beneficiary, or (iii) any such item is referred to or reflected in any such financing or continuation statement so filed at any time.

(b) Upon any default of the Grantor, the Beneficiary may use any of the Personal Property for any purpose for which the Grantor could have used it or with respect to the construction, financing, management, use, operation or occupancy of any improvements on the Premises, and the Grantor hereby irrevocably appoints the Beneficiary as its attorney-in-fact to exercise (but the Beneficiary shall not be obligated to and shall incur no liability to the Grantor or any third party for failure so to exercise) any and all rights and powers which the Grantor might exercise with respect to any of the Personal Property. The Grantor agrees to reimburse the Beneficiary on demand for any and all costs and expenses, including without limitation reasonable attorneys' fees, which the Beneficiary may incur while acting as the Grantor's attorney-in-fact hereunder, together with interest thereon at the greater of the rate provided in the Loan Agreement or in the Credit Agreement, all of which costs and expenses and interest thereon shall be secured by this Deed of Trust and any other documents or agreements now or hereafter securing the Loan Agreement or the Credit Agreement. The Beneficiary shall also have all other rights and remedies with respect to any of the Personal Property or the enforcement of its security interest upon default by the Grantor as are provided under applicable law to a secured creditor, including without limitation the right to notify any account holder, account debtor or depository to make payment directly to the Beneficiary, and the right to foreclose or otherwise enforce the Beneficiary's security interest in any manner permitted by applicable law or provided for herein, all of which rights and remedies shall be cumulative and in addition to all rights, powers and remedies which the Beneficiary at any time may have under the other instruments, agreements or documents now or hereafter securing or relating to the Loan Agreement or the Credit Agreement. Without limiting the foregoing, in the event that the Beneficiary elects to sell or dispose of or cause to be sold or disposed of any of the Personal Property at any one or

more public or private sales as permitted by applicable law, such sale or disposition may, in the discretion of Beneficiary, be made together with or separately from any sale of any real property encumbered hereby, and any such sale or disposition may be conducted by an employee or agent of Beneficiary or Trustee. Any person, including both Grantor and Beneficiary, shall be eligible to purchase any part or all of the Personal Property at any such sale or disposition.

(c) Expenses of retaking, holding, preparing for sale, selling and the like shall be borne by Grantor and shall include Beneficiary's and Trustee's attorneys' fees and legal expenses. Grantor, upon demand of Beneficiary and at Grantor's cost and expense, shall assemble any Personal Property and make it available to Beneficiary at the Premises, a place which is hereby deemed to be reasonably convenient to Beneficiary and Grantor. Beneficiary shall give Grantor at least ten (10) days' prior written notice of the time and place of any public sale or other disposition of any Personal Property or of the time of or after which any private sale or any other intended disposition is to be made, and if such notice is sent to Grantor, as the same is provided for the mailing of notices herein, it is hereby deemed that such notice shall be and is reasonable notice to Grantor.

2. Payment of Debts, Secured Assessments and Liens. To pay all debts and moneys secured hereby, when from any cause the same shall become due. To keep the Premises free from liens of any kind, except those liens that are payable in installments, are permitted under the Credit Agreement or are Permitted Encumbrances as described on Exhibit "B" attached hereto. That the Grantor is seized in fee simple of the Premises and owns outright every part thereof; that except for Permitted Encumbrances as described on Exhibit "B" attached hereto or the liens permitted under the Credit Agreement there are no liens or encumbrances against or upon the same and none will be created or suffered to be created by the Grantor during the life of this Deed of Trust, that it has good right to make this Deed of Trust and that it will forever warrant and defend said Premises unto the Beneficiary, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof. The Grantor upon request 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.

3. Direct Payment of Taxes. The Grantor shall pay all ground rents, insurance premiums, taxes, assessments, and other charges, fines and impositions attributable to the Premises directly to the party entitled thereto. The Grantor shall provide to the Beneficiary promptly after receipt by the Grantor all notices of all amounts due for said charges and the Grantor shall promptly (but in no event later than the date prior to



delinquency) furnish to the Beneficiary receipts evidencing such payments or installments thereof. Grantor may, in good faith, contest, by proper legal proceedings, and at its own expense, the validity or amount of any such tax or assessment.

4. Late Charge. In the event that any payment or portion thereof is not paid when due, Beneficiary may collect, and the Grantor agrees to pay with such payment, a "late charge" of one cent (\$0.01) for each dollar so overdue as liquidated damages for the additional expense of handling such delinquent payments. Such late charge represents the reasonable estimate of the Beneficiary and the Grantor of a fair average compensation due to the failure of the Grantor to make timely payments. Such late charge shall be paid without prejudice to the right of the Beneficiary to collect any other amounts provided to be paid or to declare a default hereunder.

5. Maintenance and Preservation of Premises. To maintain the buildings and other improvements on the Premises in a rentable and tenantable condition and state of repair (ordinary wear and tear excepted), neither to commit nor suffer any waste, to comply promptly with all requirements of the federal, state and municipal authorities and all other laws, ordinances, regulations, covenants, conditions and restrictions respecting said Premises or the use thereof, and pay all fees or charges of any kind in connection therewith. The Beneficiary may recover immediately as damages for any breach of this covenant the amount it would cost to put the Premises in the condition called for herein or the sums expended by the Beneficiary or the Trustee to put the Premises in the condition called for herein, with interest from the date of such expenditure at the greater of the rate provided in the Loan Agreement or the Credit Agreement until paid, and the repayment thereof shall be secured hereby. Failure to repay such damages or expenditures and interest thereon within ten (10) days of such notice will, at Beneficiary's option, constitute an Event of Default hereunder; or Beneficiary may, at its option, commence an action against Grantor for the recovery of such damages or expenditure and interest thereon, and in such event Grantor agrees to pay, in addition to the amount of such damages or expenditures, all costs and expenses incurred in such action, together with a reasonable attorney's fee. Proof of impairment of security shall be unnecessary in any suit or proceeding under this paragraph. Grantor shall permit Beneficiary or its agents the opportunity to inspect the Premises, including the interior of any structures, at reasonable times and after reasonable notice.

6. Restoration.

(a) During the construction of the Project (as defined in the Indenture), to complete or restore promptly and in good workmanlike manner any building or improvement included



within the Project that may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefor.

(b) To commence construction of the Project promptly in accordance with the construction schedule provided to Beneficiary and in any event within one hundred eighty (180) days from the date of this Deed of Trust, to complete the same in accordance with the Loan Agreement between Grantor and Issuer of even date herewith relating to construction and plans and specifications satisfactory to Issuer on or before November 24, 1990, and to allow the Beneficiary to inspect said Premises at all times during construction.

(c) To replace any work or materials included within the Project that the Beneficiary reasonably believes to be unsatisfactory within fifteen (15) calendar days after written notice to the Grantor of such fact.

(d) Subject to the construction schedule provided to the Beneficiary, work shall not cease on the construction of such improvements for any reason whatsoever, except for delay resulting from strike, enemy action, civil commotion, fire, earthquake, acts of God, or other causes beyond the control of Grantor for a period of ninety (90) consecutive days, provided, however, that in no event shall the time for completion of construction be extended beyond November 24, 1990, without the Grantor delivering an opinion of nationally recognized bond counsel to the effect that such extension will not adversely affect the tax-exempt status of the Bonds.

7. Alteration or Removal of Property. No building or other improvement on the Premises shall be structurally altered, removed or demolished without the Beneficiary's prior written consent, nor shall any fixture or chattel covered by this Deed of Trust and adapted to the proper use and enjoyment of the Premises be removed at any time without like consent unless actually replaced by an article of equal suitability owned by the Grantor free and clear of any lien or security interest except such as may be approved in writing by the Beneficiary or unless set forth in the plans and specifications for the Project.

8. Insurance. To provide to and to deliver to Beneficiary, at least thirty (30) days prior to the expiration date of existing insurance, and maintain unceasingly, with premiums prepaid, insurance on the Premises and Personal Property according to the terms of the Loan Agreement and the Credit Agreement.

In the event of the foreclosure of this Deed of Trust or other transfer of the title to the Premises in extinguishment, in whole or in part, of the indebtedness secured hereby, all right, title and interest of Grantor in and to any insurance policy

subject to the provisions of such policy, or premiums or payments in satisfaction of claims or any other rights thereunder then in force shall pass to the purchaser or grantee notwithstanding the amount of any bid at such foreclosure sale to the extent permissible under such insurance policy.

9. Defense of Actions and Indemnification and Attorneys Fees and Costs. To appear in and defend any suit, action or proceeding that might affect the value of this security instrument or the security itself or the rights and powers of Beneficiary or Trustee; and should Beneficiary or Trustee elect also to appear in or defend any such action or proceeding, be made a party to such by reason of this Deed of Trust, or elect to prosecute such action as appears necessary to preserve said value, the Grantor will at all times indemnify from, and, on demand, reimburse Beneficiary or Trustee for any and all loss, damage, expense or cost, including cost of evidence of title and attorney's fees, arising out of or incurred in connection with any such suit, action or proceeding, and the sum of such expenditures shall be secured by this Deed of Trust with interest as provided in the Loan Agreement secured hereby and shall be due and payable on demand. To pay costs of suit, cost of evidence of title and attorney's fees in any proceeding or suit brought by Beneficiary to enforce this Deed of Trust or any portion hereof.

10. Repayment of Advances. Upon receipt of notice, the Grantor shall repay immediately all sums expended or advanced hereunder by or on behalf of Beneficiary or Trustee, with interest from the date of such advance or expenditure thereon at the greater of the rate provided in the Loan Agreement or in the Credit Agreement until paid, and the repayment thereof shall be secured hereby. Failure to repay such expenditure or advance and interest thereon within ten (10) days of such notice will, at Beneficiary's option, constitute an event of default hereunder; or Beneficiary may, at its option, commence an action against Grantor for the recovery of such expenditure or advance and interest thereon, and in such event Grantor agrees to pay, in addition to the amount of such expenditure or advance, all costs and expenses incurred in such action, together with a reasonable attorney's fee.

11. Beneficiary's Right to Defend Action and Cure of Certain Defaults. The Beneficiary may appear in and defend any action or proceeding at law or in equity or in bankruptcy purporting to affect the Premises or the security hereof and in such event (except where the purported defect affecting the security hereof arises or results from any act or omission of the Beneficiary), the Beneficiary shall be allowed and paid all the Beneficiary's costs, charges and expenses, including cost of evidence of title and attorney's fees incurred in such action or proceeding in which the Beneficiary may appear.



Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the Premises for such purposes; commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such power, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor including cost of evidence of title, employ an attorney, and pay said attorney's fees.

The Grantor hereby agrees to pay on demand with interest at the greater of the rates provided in the Loan Agreement or in the Credit Agreement, all of the Beneficiary's costs, charges, expenses and amounts referred to above in this paragraph, including cost of evidence of title and attorney's fees incurred in such action or proceeding in which the Beneficiary may appear. All costs, charges and expenses so incurred, together with interest thereon as aforesaid shall be secured by the lien of this Deed of Trust.

12. Condemnation and Casualty. Should the Premises or any part or appurtenance thereof or right or interest therein be taken or damaged by reason of any public or private improvement, condemnation proceeding (including change of grade), fire, earthquake or other casualty, or in any other manner, Grantor shall commence, appear in and prosecute, in its own name, any action or proceeding, or make any compromise or settlement, in connection with such taking or damage, and obtain all compensation, awards or other relief therefor. Grantor shall apply, at its option, all such compensation, awards, damages, rights of action and proceeds, including the proceeds of any policies of insurance affecting the Premises, within sixty (60) days after receipt thereof, after deducting therefrom all its expenses, including attorney's fees, either (a) to any indebtedness secured hereby or (b) to the repair or restoration of the Premises.

13. Time Is of the Essence. Time is of the essence hereof in connection with all obligations of the Grantor herein, in the Credit Agreement or in the Loan Agreement. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

14. Plats, Easements, Reconveyances and Other Agreements. At any time upon written request of Beneficiary, payment of its fees and presentation of this Deed of Trust, the Credit Agreement or the Loan Agreement for endorsement (in case of full reconveyance, for cancellation and retention), without affecting the liability of any person for the payment of the indebtedness Trustee may (a) consent to the making of any map or plat of said Premises; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Deed of Trust or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the Premises. The Grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Grantor agrees to pay a reasonable Trustee's fee for full or partial reconveyance, together with a recording fee if Trustee, at its option, elects to record said reconveyance.

15. Sale of Premises Pursuant to a Foreclosure. In case of a sale pursuant to a foreclosure of this Deed of Trust, the said Premises, real, personal or mixed, may be sold as an entirety or in parcels, by one sale or by several sales held at one time or at different times, all as Trustee in its unrestricted discretion may elect, and the Grantor for and on behalf of himself and all persons claiming by, through or under him, waives any and all right to have the property and estates comprising the Premises marshaled upon any foreclosure sale and agree that upon foreclosure the Premises may be sold as an entirety and not in parcels.

16. Security and Zoning. The Grantor shall not, without first obtaining the Beneficiary's written consent, assign any of the rents or profits of the Premises or collect any rent for more than one month in advance or change the general nature of the occupancy or initiate or acquiesce in any zoning reclassification, or do or suffer any act or thing which would impair the security for said debt or the Beneficiary's lien upon said Premises or the rents thereof. In the event of breach of any requirement of this paragraph, the Beneficiary may, in addition to any other rights or remedies, at any time thereafter declare the whole of said principal sum immediately due and payable.

17. Appointment of Receiver. The holder of this Deed of Trust, in any action to foreclose it, shall be entitled (without regard to the adequacy of any security for said debt) to the appointment of a receiver of the rents and profits of the Premises and such receiver shall have, in addition to all the rights and powers customarily given to and exercised by such receiver, all the rights and powers granted to the Beneficiary by the covenants contained in paragraph 19 hereof.



18. Assignment of Leases and Rents. Grantor absolutely and irrevocably assigns to Beneficiary the rents, issues and profits of the Premises, and all of the right, title and interest of the Grantor in and under all leases and rental agreements now or hereafter affecting said Premises are hereby assigned and transferred to the Beneficiary. So long as no default shall exist in compliance with any covenants, terms, conditions or obligations hereof or of any other instrument at any time executed with respect to this Deed of Trust, Grantor may collect assigned rents and profits as the same fall due, but upon the occurrence of any such default, all right of Grantor to collect or receive rents or profits shall wholly terminate. All rents, issues or profits receivable from or in respect to said Premises which Grantor shall be permitted to collect hereunder shall be received by it in trust to pay the usual and reasonable operating expenses of, and the taxes upon, said Premises and the sums owing to Beneficiary as they become due and payable as provided in this Deed of Trust, the Credit Agreement or in the Loan Agreement or in any modification of them.

Grantor hereby agrees:

(a) It will promptly perform and observe all the terms, covenants and conditions required to be performed and observed by it, as landlord under all leases and rental agreements and will do all things necessary to preserve and keep unimpaired its rights thereunder and will maintain all leases and rental agreements in full force and effect and will enforce the same and will take such action to that and as Beneficiary may request provided, however, that this shall not prevent Grantor from terminating a lease or rental agreement when the lessee is in default.

(b) It will not create nor permit any lien, charge or encumbrance upon its interest as landlord of the leases or rental agreements except the lien of this Deed of Trust and except as provided in this Deed of Trust.

(c) It will not, without the written consent of the Beneficiary, collect or permit the collection of any rental payment under any of the leases or rental agreements for a period of more than one month in advance of the date on which such payment is due.

All leases or rental agreements of the whole or any part of the Premises shall be subject and subordinate to the lien of this Deed of Trust unless Beneficiary consents in writing to the priority of certain leases or rental agreements. Beneficiary may, at its option, require that specific leases be made superior to the lien of this Deed of Trust. Grantor shall pay all costs incident to making such leases superior to such lien, including attorneys' fees. In the event of any default hereunder and the

exercise by Beneficiary of its rights hereby granted, Grantor agrees that payments made by tenants or occupants to Beneficiary shall, as to such tenants, be considered as though made to Grantor and in discharge of tenants' obligations as such to Grantor. Nothing herein contained shall be construed as obligating Beneficiary to perform any of Grantor's covenants under any lease or rental agreement. Grantor shall execute and deliver to Beneficiary upon demand any further or supplemental assignments deemed desirable by Beneficiary to further carry out and confirm the intentions of this paragraph and upon failure of the Grantor so to comply, Beneficiary may, in addition to any other rights or remedies, at its option, declare all obligations secured by this Deed of Trust to be immediately due and payable.

19. Default, Entry and Possession. In the event of default in compliance with any requirement of this Deed of Trust or of any further instrument at any time executed with respect to this Deed of Trust, and the continuance thereof for such period as would entitle the Beneficiary to declare said debt due and payable, or for ten days if no such period be applicable the Beneficiary may, at its option, enter upon and take possession of the said Premises and let the same or any part thereof, making therefor such alterations as it finds necessary, and may terminate in any lawful manner any tenancy or occupancy of said Premises, exercising with respect thereto any right or option available to the Grantor. From and after the occurrence of any such default, if any owner of said Premises shall occupy said Premises or part thereof such owner shall pay to the Beneficiary in advance on the first day of each month a reasonable rental for the space so occupied, and upon failure so to do the Beneficiary shall be entitled to remove such owner from the Premises by any appropriate action or proceeding.

20. Default, Nonwaiver. The entering upon and taking possession of said Premises, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the Premises, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

21. Events of Default. Any one or more of the following events shall be deemed "Events of Default" under this Deed of Trust:

(a) If default is made in the payment of any sum due under the Bonds or any other instrument securing the indebtedness evidenced by the Bonds, including under Paragraph 5 hereof; or

(b) If default shall be made in the due observance or performance of any other covenant, term, condition or



agreement contained in the Bonds, the Credit Agreement, the Loan Agreement, or in this Deed of Trust or in any other instrument given to evidence or secure any indebtedness in connection with the Bonds required to be observed or performed by the Grantor and such default is not cured within sixty (60) days after written notice thereof; or

(c) If the Grantor shall transfer, assign, alienate, mortgage, encumber, pledge, hypothecate or grant a security interest in the Premises or the Personal Property or the improvements without Beneficiary's prior written consent except for Permitted Encumbrances described in Exhibit "B" attached hereto or as permitted under the Credit Agreement and except for sales of Personal Property not in excess of \$250,000 in the aggregate during any calendar year; or

(d) If the Grantor shall, on a voluntary or involuntary petition filed under any federal or state insolvency law have an order for relief entered or if a court of competent jurisdiction shall enter an order or decree appointing without the consent of the Grantor a receiver, custodian, liquidator or trustee of the Grantor of the whole or substantially all of its property, or approving a petition filed against it seeking reorganization or arrangement of the Grantor under the federal bankruptcy laws or any other applicable law or statute of the United States or any state thereof, and such order or decree shall not be vacated or set aside or stayed within 90 days from the date of the entry thereof.

22. Foreclosure. No waiver of Beneficiary of any Event of Default on the part of Grantor shall be construed as a waiver of any subsequent default hereunder. In event of any such Event of Default, Beneficiary may invoke the power of sale. If Beneficiary does so, then upon written request of Beneficiary, Trustee shall sell the Premises in accordance with the Deeds of Trust Act of the State of Washington (RCW Chapter 61.24 as existing now or hereafter amended) and the Uniform Commercial Code of the State of Washington when applicable, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of sale, including a reasonable Trustee's fee and attorney's fee; (2) to all the indebtedness evidenced by the Loan Agreement, the Credit Agreement and all other indebtedness secured by this Deed of Trust or any other instrument; (3) the surplus, if any, shall be distributed in accordance with said Deeds of Trust Act. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor has or had the power to convey at the time of its execution of this Deed of Trust, and such as it may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of

the law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value. The power of sale conferred by this Deed of Trust and by the Deeds of Trust Act of the State of Washington is not an exclusive remedy and when not exercised, Beneficiary may foreclose this Deed of Trust as a mortgage. At any time Beneficiary may appoint in writing a successor trustee, or discharge and appoint a new trustee in the place of any Trustee named herein, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original Trustee. The Trustee is not obligated to notify any party hereto of a pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Trustee or Beneficiary shall be a party, unless such action or proceeding is brought by the Trustee.

23. Due on Sale. The undersigned Grantor further agrees and acknowledges that the indebtedness evidenced by the Loan Agreement and the Credit Agreement is personal to it, and that its personal responsibility and/or control of the Premises given to secure this indebtedness is a material inducement to the Beneficiary hereunder to agree to enter into this transaction. Accordingly, Grantor covenants that for so long as there is any indebtedness outstanding under the Loan Agreement or under the Credit Agreement it will not permit: (a) any conveyance of the whole or any substantial part of the Premises securing this debt, whether by deed, contract, or otherwise, or lease of the same (other than a lease of any portion of the space in the improvements without an option to purchase) or any further encumbrance of same without the Beneficiary's prior written consent other than Permitted Encumbrances described in Exhibit "B" attached hereto or as permitted under the Credit Agreement; or (b) any transfer of more than 49% of the stock of Grantor (except for a transfer of stock to a controlled affiliate of Grantor) without the prior written consent of Beneficiary; and agrees that if any event described in subparagraphs (a) or (b) shall occur, the Beneficiary or other holder may declare the entire unpaid balance outstanding under the Loan Agreement and the Credit Agreement immediately due and payable. The execution and delivery by the Grantor of any joint venture agreement, partnership agreement, declaration of trust, option agreement or other instrument whereunder any other person or corporation may become entitled, directly or indirectly, to the possession or enjoyment of the Premises, or the income or other benefits derived or to be derived therefrom, shall in each case be deemed to be a conveyance or assignment of the Grantor's interest in the Premises for the purposes of this Paragraph 23, and shall require the prior written consent of the Beneficiary.



24. Non-Agricultural Use. The Premises which are the subject of this Deed of Trust are not used principally for agricultural or farming purposes.

25. Additional Taxes - Change of Law. If at any time the United States of America or the State of Washington shall require documentary stamps to be affixed to this Deed of Trust, or shall impose any ad valorem or other tax upon this Deed of Trust or the interest of the Beneficiary hereunder (excluding any taxes based on the income of the Beneficiary), or if any law is enacted requiring mortgagee to pay a portion of the real estate taxes, or pay any tax levied in substitution (in whole or in part) therefor, which has the practical effect of requiring Beneficiary to pay any real estate taxes or the equivalent thereof in respect of the Premises, or if there occurs a change in the taxation of mortgages so as to require the Beneficiary to pay a tax by reason of its ownership of this Deed of Trust, the Grantor shall pay for the documentary stamps or shall pay such tax together with any interest or penalties imposed in connection therewith, provided that if for any reason payment by Grantor of any such new or additional taxes would be unlawful or if the payment thereof would constitute usury or render the Loan or indebtedness secured hereby wholly or partially usurious under any of the terms or provisions of the Loan Agreement, the Credit Agreement, the within Deed of Trust or otherwise, Beneficiary may, at its option, without demand or notice, declare the whole sum secured by this Deed of Trust with interest thereon to be immediately due and payable, or Beneficiary may, at its option, pay that amount or portion of such taxes as renders the Loan or indebtedness secured hereby unlawful or usurious, in which event Grantor shall concurrently therewith pay the remaining lawful and non-usurious portion or balance of said taxes.

26. Foreclosure Sale. In the event that this Deed of Trust is foreclosed as a mortgage and the Premises sold at a foreclosure sale, the purchaser may, during the statutory redemption period, make such repairs or alterations on said Premises as may be reasonably necessary for the proper operation, care, preservation, protection and insuring thereof. Any sums so paid together with interest thereon from the time of such expenditure at the statutory rate shall be added to and become a part of the amount required to be paid for redemption from such sale.

27. Right of Foreclosure. Beneficiary shall have the right at its option to foreclose this Deed of Trust subject to the rights of any tenant or tenants of the Premises and the failure to make any such tenant or tenants a party defendant to any such suit or action or to foreclose their rights will not be asserted by the Grantor as a defense in any action or suit instituted to collect the indebtedness secured hereby or any part thereof or any deficiency remaining unpaid after foreclosure and

sale of the said Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

28. Subrogation. The Beneficiary shall be subrogated for further security to the lien, although released of record, of any and all encumbrances paid out of the proceeds of the indebtedness secured by this Deed of Trust.

29. Further Assurances. Grantor from time to time, within 15 days after request by Beneficiary, shall execute, acknowledge and deliver to Beneficiary such chattel mortgages, security agreements or other similar security instruments, in form and substance satisfactory to Beneficiary, covering all property of any kind whatsoever owned by Grantor or in which Grantor has any interest which, in the sole opinion of Beneficiary, is essential to the operation of the said Premises covered by this Deed of Trust. Grantor shall further, from time to time, within 15 days after request by Beneficiary, execute, acknowledge and deliver any financing statement, renewal, affidavit, certificate, continuation statement or other document as Beneficiary may request to perfect, preserve, continue, extend or maintain the security interest under, and the priority of, this Deed of Trust and the priority of such chattel mortgage or other security instrument as a first lien. Grantor further agrees to pay to Beneficiary on demand all costs and expenses incurred by Beneficiary in connection with the preparation, execution, recording, filing and refiling of any such instrument or document including the charges for examining title and the attorney's fee for rendering an opinion as to the priority of this Deed of Trust and of such chattel mortgage or other security instrument as a valid first and subsisting lien. However, neither a request so made by Beneficiary nor the failure of Beneficiary to make such request shall be construed as a release of such Premises, or any part thereof, from the conveyance of title by this Deed of Trust, it being understood and agreed that this covenant and any such chattel mortgage, security agreement or other similar security instrument, delivered to Beneficiary, are cumulative and given as additional security.

30. Notices. All notices, demands, requests, consents, approvals and other instruments required or permitted to be given pursuant to the terms of this Deed of Trust shall be in writing and shall be deemed to have been properly given if sent by registered or certified mail, postage prepaid, return receipt requested, or by telegram with report of delivery to the address set forth below or such other address as may be given in writing:



To Grantor: Stevenson Co-Ply, Inc.  
P. O. Box 910  
Stevenson, WA 98648  
Attention: General Manager

With a copy to: Lindsay, Hart, Neil & Weigler  
222 S.W. Columbia, Suite 1800  
Portland, OR 97201  
Attention: Michael E. Haglund

To Bond Trustee: Oregon First Bank  
234 S.W. Broadway  
Portland, OR 97204  
Attention: Vice President

To Issuer: Industrial Development Corporation  
of Skamania County  
27 Russell Street  
Stevenson, WA 98648  
Attention: President

To Bank: Rainier National Bank  
Corporate Banking - Forest Products  
P.O. Box 3966, T18-2  
Seattle, WA 98124  
Attention: Robert M. Ingram III

To Trustee: Mt. Adams Title Company  
1000 East Jewett Boulevard  
White Salmon, WA 98672

Provided, however, that such address may be changed upon thirty (30) days written notice thereof, similarly given to the other parties. Such notice, demand, request, consent, approval or other instrument shall be deemed to have been served on the third business day following the date of mailing, or the report of delivery in the case of a telegram.

31. No Change Without Writing. No change, amendment, modification, cancellation or discharge hereof shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns.

32. Non-Waiver. A waiver in one or more instances of any of the terms, covenants, conditions or provisions hereof, of the Loan Agreement, or of the Credit Agreement, shall apply to the particular instance or instances and at the particular time or times only, and no such waiver shall be deemed a continuing waiver; but all of the terms, covenants, conditions and other provisions of this Deed of Trust, of the Credit Agreement and of the Loan Agreement, shall survive and continue to remain in full force and effect. No delay on Beneficiary's part in exercising

any right shall be deemed a waiver. All waivers shall be in writing.

33. Cumulative Remedies. No remedy herein reserved to the Beneficiary is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

34. Washington State Law Governs. This Deed of Trust is to be governed by and construed in accordance with the laws of the State of Washington. At the option of the Beneficiary, the venue of any action to enforce the provisions hereof may be laid in Skamania County, Washington.

35. Environmental Laws and Indemnification.

(a) Grantor covenants and agrees to:

(i) comply with all applicable Environmental Laws (as defined in clause (b) below); and

(ii) provide to Beneficiary, within a reasonable time after receipt, copies of any notice, pleading, citation, indictment, complaint, order, decree or other document from any source asserting or alleging a circumstance or condition which requires or may require a cleanup, removal, remedial action or other response by or on the part of Grantor under Environmental Laws or which seeks criminal or punitive penalties from Grantor for an alleged violation of Environmental Laws.

(b) The term "Environmental Laws" shall mean all federal, state and local laws including statutes, regulations, ordinances, codes, rules and other governmental restrictions and requirements relating to the environment or hazardous substances including, but not limited to, the federal Solid Waste Disposal Act, the federal Clean Air Act, the federal Clean Water Act, the federal Resource Conservation and Recovery Act of 1976, the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, regulations of the Environmental Protection Agency, regulations of the Nuclear Regulatory Commission and regulations of any State department of natural resources or State environmental protection agency now or at any time hereafter in effect.

(c) Grantor hereby indemnifies Beneficiary and holds Beneficiary harmless from and against any loss, liability, cost, damage, or expense, including, without limitation, attorneys' fees, arising from the imposition or recordation of a lien, the incurrence of any cleanup and removal costs under any



Environmental Laws with respect to the Premises, any liability to any third party in connection with any violation of any Environmental Laws or other action by Grantor or its agents with respect to the Premises. If there is any diminution in value of the Premises caused by a violation of the Environmental Laws, the Grantor shall deliver to the Beneficiary additional collateral with a fair market value equal to or exceeding the amount of such diminution in value of the Premises.

36. Severability. If any provision of this Deed of Trust, or its application to any person or circumstance, is held invalid, the other provisions hereof, or the application of the provision to other persons or circumstances, shall not be affected.

37. Miscellaneous. All Beneficiary's rights and remedies herein specified are intended to be cumulative and not in substitution for any right or remedy otherwise available and no requirement whatsoever may be waived at any time except by a writing signed by the Beneficiary, nor shall any waiver be operative upon other than a single occasion. This Deed of Trust cannot be changed or terminated orally. This Deed of Trust applies to, inures to the benefit of and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors, successors and assigns. All obligations of Grantor hereunder are joint and several. The term "Beneficiary" shall mean the holder and owner, including pledgees, of the Loan Agreement and the Credit Agreement secured hereby, whether or not named as Beneficiary herein. Beneficiary may also accept additional security, either concurrently herewith or thereafter, and sell same or otherwise realize thereon, either before, concurrently with or after sale hereunder. This Deed of Trust shall be so construed that, wherever applicable, the use of the singular number shall include the plural number, the use of the plural number shall include the singular number, the use of any gender shall be applicable to all genders and shall likewise be so construed as applicable to and including a corporation.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed the day and year first above written.

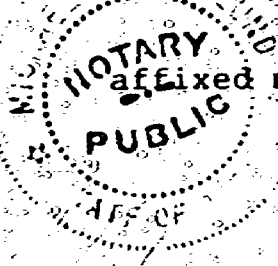
STEVENSON CO-PLY, INC.

By: James T. Hendrix  
President

By: John A. Kilpatrick  
Secretary

State of Oregon )  
 ) ss.  
 County of Multnomah )

On this 24th day of November, 1987, before me, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared James T. Hendrix and John A. Kilpatrick, to me known to be the President and Secretary of Stevenson Co-Ply, Inc., the corporation that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument.



IN WITNESS WHEREOF I have have hereunto set my hand and affixed my official seal the day and year first above written.

Michael E. Haglund  
 Notary Public for Oregon  
 My commission expires 11/26/90



EXHIBIT A

A certain tract of land situated in Skamania County, Washington, which is more fully described as follows:

PARCEL I

All that portion of the William M. Murphy D.L.C. in Section 27 and 34, Township 3 North, Range 8, East of the Willamette Meridian, in the County of Skamania and State of Washington, which lies South of the Spokane, Portland and Seattle Railway Company Right of Way, TOGETHER WITH Shorelands of the Second Class situated in front of and adjacent to or abutting that portion lying in Section 34.

PARCEL II

All that portion of the Joseph Robbins D.L.C. which is in Section 27, Township 3 North, Range 8, East of the Willamette Meridian, in the County of Skamania, and State of Washington, and is South of the South Right-of-Way Line of the Spokane, Portland and Seattle Railway.

PARCEL III

A tract of land in Section 34, Township 3 North, Range 8, East of the Willamette Meridian, in the County of Skamania, and State of Washington, more particularly described as follows:

Beginning at a point which is the intersection of the West line of the Robbins D.L.C. and the South line of Section 27, Township 3 North, Range 8 East of the Willamette Meridian; thence North 89°18' East along the South line of Section 27, 795.22 feet to the Southerly right of way line of the Spokane, Portland and Seattle Railroad thence South 66°34' East along said right of way line 191.35 feet; thence South 23°26' West 24.05 feet; thence South 89°18' West parallel with the South line of Section 27, 626.36 feet; thence on a curve to the left whose radius is 150 feet, 140.71 feet; thence South 36°33' West 348.17 feet to the West line of the Robbins D.L.C. thence North 0°57' West 437.86 feet along said West line, to the point of beginning. EXCEPTING THEREFROM, that portion conveyed to Skamania County by deed recorded March 10, 1986, in Book 100, Page 498, Skamania County Deed Records.

PARCEL IV

A tract of land located in the D.F. Bradford D.L.C. No 37, in the Daniel Baughman D.L.C. No. 42, and in the Felix G. Iman D.L.C. No. 44, in Section 2 and 11, Township 2 North, Range 7 East of

the Willamette Meridian, in the County of Skamania and State of Washington, more particularly described as follows:

Beginning at Stateion 47+86 of the survey of the Spokane, Portland and Seattle Railway Company Right of Way, said point being South 52°12' West 176 feet from the intersection of the centerline of said survey with the Section line common to Sections 1 and 2 aforesaid; thence Southeasterly on a course at a right angle to said centerline, a distance of 100 feet to the Southeasterly line of said Right of Way; thence Southwesterly along said Southeasterly line, a distance of 650 feet to the True Point of Beginning of the tract of land to be described herein, said point also being the most westerly corner of that tract conveyed to Stevenson Lumber Company, by deed recorded March 30, 1955 in Book 39, Page 314, Skamania County Deed Records; thence continuing Southwesterly along the said East line of said right of way, to its intersection with the South line of the North half of the said Section 11; thence East along said South line, to the meander line of the Ordinary High Water Mark of the Columbia River; thence Northeasterly along said meander line to a point which is South 37°48' East from the True Point of Beginning, said point also being the most Southerly corner of that tract conveyed to Stevenson Lumber Company, by deed recorded March 30, 1955 in Book 39, Page 314, Skamania County Deed Records; thence North 37°48' West to the True Point of Beginning.



EXHIBIT B

Permitted Encumbrances

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.
7. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this commitment.
8. Taxes for the year 1987: \$30,225.71, balance of \$15,112.85, UNPAID.  
(Account No. 03-08-34-0-0-0400-00)  
(Affects Parcels 1,2, and 3)  
  
Taxes for the year 1987: \$55,304.75, balance of \$27,652.37, UNPAID.  
(Account No. 02-07-11-0-0-0400-00)  
(Affects a portion of Parcel 4)  
  
Taxes for the year 1987: \$2,884.82, balance of \$1,442.41, UNPAID.  
(Account No. 92-001780)  
(Affects personal property assessed to Stevenson Co-Ply)  
  
Taxes for the year 1987: \$2,002.04, balance of \$1,001.02, UNPAID.  
(Account No. 92-001800)  
(Affects personal property assessed to Stevenson Co-Ply)
9. The rights of the Public in roads and highways.
10. The rights of the Public in that portion lying below the ordinary high water mark of the Bonneville Pool, also known as Lake Bonneville.

11. Reservation of a right-of-way for wagon road, including the terms and provisions thereof, as contained in deed from John Mitchell et ux., to Edward William Fields, recorded June 4, 1908, in Book L, Page 136, Skamania County Deed Records. (Affects a portion of Parcel IV, Exact location not given)
12. Easement, including the terms and provisions thereof, in favor of Northwestern Electric Company, recorded June 24, 1912, in Book N, Page 617, Skamania County Deed Records. (Affects Parcel I)
13. Flowage Easement, including the terms and provisions thereof, in favor of the United States of America, recorded March 3, 1936, in Book Y, Page 435, Skamania County Deed Records. (Affects a portion of Parcel I)
14. Flowage Easement, including the terms and provisions thereof, in favor of the United States of America, recorded October 16, 1936, in Book Z, Page 51, Skamania County Deed Records. (Affects a portion of Parcel I)
15. Flowage Easement, including the terms and provisions thereof, in favor of the United States of America, recorded June 8, 1937, in Book Z, Page 311, Skamania County Deed Records. (Affects a portion of Parcel IV)
16. Statutory Mineral reservations, including the terms and provisions thereof, as contained in deed from the State of Washington, recorded March 23, 1940, in Book 28, Page 34, Auditors File No. 28613, Skamania Deed Records. (Affects Second Class Shore Lands in Section 34, adjacent to a portion of Parcel I)
17. Reservation of Easements, including the terms and provisions thereof, as contained in Contract between Home Valley Lumber Company, Inc., and Hegewald Timber Co., Inc., recorded November 19, 1969, in Book 61, Page 352, Skamania County Deed Records, and as contained in the Fulfillment Warranty Deed, recorded June 5, 1973 in Book 65, Page 326, Auditors File No. 76181, Skamania County Deed Records. (Affects a portion of Parcel III)
18. Flowage Easement, including the terms and provisions thereof, in favor of the United States of America, recorded July 3, 1975, in Book 69, page 156, Auditors File No. 79876, Skamania County Deed Records. (Affects Parcel IV)
19. Deed of Trust, including the terms and provisions thereof, executed by Stevenson Co-Ply, Inc., as grantor, to Skamania County Title Company, as trustee for Rainier National Bank, as beneficiary, dated November 27, 1978, recorded November 28, 1978, in Book 56, Page 13, Auditors File No. 87669, Skamania County Mortgage Records, given to secure the payment of \$1,921,260.00. (Affects Parcel IV)
20. Flowage Easement, including the terms and provisions thereof, in favor of the United States of America, recorded September 17, 1976, in Book 71, Page 653, Auditors File No. 82874, Skamania County Deed Records. (Affects Parcel I)
21. Financing Statement, including the terms and provisions thereof, between Stevenson Co-Ply, Inc., as debtor, and Rainier National Bank, as secured party, filed August 2, 1982, as File No. 2319, and relating to Pictures located on said premises. A

continuation Statement was filed May 14, 1987. (Affects Parcel IV)

22. Deed of Trust, including the terms and provisions thereof, executed by Stevenson Co-Ply, Inc., as grantor, to Skamania County Title Company, as trustee for Rainier National Bank, as beneficiary, dated July 1, 1982, recorded August 5, 1982, in Book 58, Page 738, Auditors File No. 94525, Skamania County Mortgage Records, given to secure the payment of \$500,000.00. (Affects Parcel IV)
23. Deed of Trust, including the terms and provisions thereof, executed by Stevenson Co-Ply, Inc., as grantor, to Skamania County Title Company, as trustee for Rainier National Bank, as beneficiary, dated June 25, 1984, recorded June 28, 1984, in Book 60, Page 493, Auditors File No. 97811, Skamania County Mortgage Records, given to secure the payment of \$1,444,619.50. (Affects Parcels I, II and III)
24. Financing Statement, including the terms and provisions, between Stevenson Co-Ply Inc., as debtor, and Rainier National Bank, Forest Products Office, as secured party, filed June 28, 1984, as File no. 2351, and relating to fixtures located on said premises. (Affects Parcels I, II and III)
25. Lien created to secure loan by Washington Department of Community Development in an amount not to exceed \$350,000.
26. Liens permitted under the Letter of Credit Agreement dated as of November 1, 1987 between Rainier National Bank and Stevenson Co-Ply, Inc.
27. Financing Statement, including the terms and provisions thereof, between Stevenson Co-Ply, Inc., as debtor, and Rainier National Bank, as secured party, filed July 30, 1982 as File No. 82-211-0554. A continuation statement and amendment was filed on May 13, 1987.
28. Financing Statement, including the terms and provisions thereof, between Stevenson Co-Ply, Inc., as debtor, and Rainier National Bank, as secured party, filed July 30, 1982 as File No. 82-211-0555. A continuation statement and amendment was filed on May 13, 1987.
29. Financing Statement, including the terms and provisions thereof, between Stevenson Co-Ply, Inc., as debtor, and Rainier National Bank, as secured party, filed June 27, 1984 as File No. 84-179-0576.
30. Financing Statement, including the terms and provisions thereof, between Stevenson Co-Ply, Inc., as debtor, and Rainier National Bank, as secured party, filed July 10, 1986 as File No. 86-191-0614.
31. Financing Statement, including the terms and provisions thereof, between Stevenson Co-Ply, Inc., as debtor, and Signode Corporation, as secured party, filed April 19, 1985 as File No. 85-109-0712.



EXHIBIT C

REQUEST FOR RECONVEYANCE

TO TRUSTEE:

The undersigned are the lenders and credit providers under the Loan Agreement and the Credit Agreement secured by this Deed of Trust. The Loan Agreement and the Credit Agreement, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel this Deed of Trust, which is delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

INDUSTRIAL DEVELOPMENT CORPORATION  
OF SKAMANIA COUNTY

By: \_\_\_\_\_

Title: \_\_\_\_\_

RAINIER NATIONAL BANK

By: \_\_\_\_\_

Title: \_\_\_\_\_