

DEED OF TRUST

THIS DEED OF TRUST, made this 6 day of February, 1988, between Biba Hot Springs Development Company, a Washington limited partnership, as Grantor, whose address is 1422 East Burnside, Portland, OR 97214 ;
Skamania County Title Company, as Trustee, whose address is PO Box 277, Stevenson, WA 98648 ;
 and Montgomery, Le Chevallier & Englund, P.C., as Beneficiary, whose address is Suite 960, 101 S.W. Main, Portland, OR 97204 ;

WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property in Skamania County, Washington:

As described on the attached Exhibit "A".

FILED FOR RECORD
 SKAMANIA CO. WASH
 BY MONTGOMERY
 LE CHEVALLIER &
 ENGLUND
 Feb 19 3 13 PM '88
 GARY M. OLSON

which real property is not used principally for agricultural or farming purposes, together with all tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof.

This deed is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the sum of TWELVE THOUSAND AND NO/100* * * * * Dollars (\$12,000.00) with interest, in accordance with the terms of a promissory note of even date herewith payable to Beneficiary or order, and made by Grantor, and all renewals, modifications and 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.

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure or improvement being built or about to be built thereon; 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.
2. 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.
3. To keep all buildings 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. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary as its interest may appear and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
5. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.
6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

Registered S
 Indexed, S
 Indexed S
 Filmed
 Mailed

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion thereof as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto on written request of the Grantor and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, 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 the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be deposited with the clerk of the court of the county of sale.

5. 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 had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of 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.

6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

7. In the event of the death, incapacity, disability or resignation of Trustee, Beneficiary may appoint, in writing, a successor Trustee, 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 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.

8. 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. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

Witness the hand(s) of the Grantor(s) on the day and year first above written.

RECORDER'S NOTE: PORTIONS OF THIS DOCUMENT POOR QUALITY FOR FILMING

Biba Hot Springs Development Company

By: [Signature]
Vadim Krijanovsky, general partner

Biba Hot Springs, Inc. general partner

By: [Signature]
Vadim Krijanovsky, president

STATE OF ~~WASHINGTON~~ Oregon

COUNTY OF Multnomah

} ss.

On this day personally appeared before me Vadim Krijanovsky to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 16 day of February, 1988

[Signature]
Notary Public in and for the State of ~~Washington~~, Oregon

residing at _____
My Commission expires 11/29/92

STATE OF OREGON)
) ss.
County of Multnomah)

On this 16 day of February, 1988, personally appeared Vadim Krijanovsky, president of Biba Hot Springs, Inc. and executed the within instrument on behalf of said corporation and acknowledged to me that he executed the same for the purposes therein stated.

[Signature]
Notary Public for Oregon
My commission expires: 11/29/92

Mail reconveyance to _____

Exhibit "A"

PARCEL I

 THAT PORTION OF THE B. B. BISHOP D.L.C. IN SECTIONS 16, 17 AND 20, TOWNSHIP 2 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF THE SAID SECTION 16, WITH THE NORTHERLY LINE OF THE COUNTY ROAD KNOWN AS THE MOFFETTS-CARPENTER ROAD; THENCE FOLLOWING THE NORTHERLY LINE OF SAID ROAD IN A NORTHERLY AND EASTERLY DIRECTION TO INTERSECTION WITH THE WESTERLY LINE OF THE 300 FOOT STRIP OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA FOR THE BONNEVILLE POWER ADMINISTRATION'S ELECTRIC POWER TRANSMISSION LINES; (BOOK 27 PAGE 315); THENCE FOLLOWING THE WESTERLY LINE OF SAID 300 FOOT STRIP OF LAND TO INTERSECTION WITH THE NORTH LINE OF SAID BISHOP D.L.C.; THENCE WEST ALONG THE NORTH LINE OF SAID BISHOP D.L.C. TO THE NORTHWEST CORNER THEREOF; THENCE SOUTH ALONG THE WEST LINE OF SAID BISHOP D.L.C. TO THE NORTHERLY LINE OF THE SAID MOFFETTS-CARPENTER ROAD; THENCE EASTERLY ALONG THE NORTH LINE OF SAID ROAD TO THE POINT OF BEGINNING;

EXCEPT THE FOLLOWING TRACT OF LAND: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SAID BISHOP D.L.C. WITH THE WESTERLY LINE OF SAID 300 FOOT STRIP OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA; (BOOK 27 PAGE 315); THENCE SOUTH 32° 27' 30" WEST 754.95 FEET, MORE OR LESS, TO THE NORTHERLY LINE OF SAID MOFFETTS-CARPENTER ROAD; THENCE IN A NORTHWESTERLY DIRECTION FOLLOWING THE NORTHERLY LINE OF SAID ROAD TO INTERSECTION WITH THE CENTERLINE OF THE RIGHT-OF-WAY GRANTED TO THE NORTHWESTERN ELECTRIC COMPANY; (BOOK 10" PAGE 85); THENCE IN A NORTHEASTERLY DIRECTION FOLLOWING THE CENTERLINE OF SAID RIGHT-OF-WAY TO INTERSECTION WITH THE NORTH LINE OF THE SAID BISHOP D.L.C.; THENCE EAST TO THE POINT OF BEGINNING.

PARCEL II

THAT PORTION OF GOVERNMENT LOTS 8 AND 9 OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT MARKING THE INTERSECTION BETWEEN THE CENTER OF GREENLEAF CREEK AND THE SOUTH LINE OF THE SAID GOVERNMENT LOT 9, SAID POINT BEING LOCATED ON THE NORTH LINE OF THE B. B. BISHOP D.L.C.; THENCE FOLLOWING THE CENTER OF GREENLEAF CREEK IN A NORTHEASTERLY DIRECTION TO A POINT IN THE SAID GOVERNMENT LOT 8 NORTH 430 FEET FROM THE NORTH LINE OF THE SAID BISHOP D.L.C.; THENCE WESTERLY PARALLEL TO, AND 430 FEET DISTANT FROM, THE NORTH LINE OF THE SAID BISHOP D.L.C. TO INTERSECTION WITH THE WEST LINE OF THE SAID GOVERNMENT LOT 9; THENCE SOUTH TO THE NORTH LINE OF SAID BISHOP D.L.C.; THENCE EASTERLY ALONG THE NORTH LINE OF SAID BISHOP D.L.C. TO THE POINT OF BEGINNING;

EXCEPT THAT PORTION THEREOF LYING WESTERLY OF THE NATURAL GAS PIPELINE CONVEYED TO PACIFIC NORTHWEST PIPELINE CORPORATION; (BOOK 40 PAGE 465)

AND EXCEPT A TRACT OF LAND 40 FEET BY 115 FEET IN SIZE IN GOVERNMENT LOT 9 OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN; GRANTED TO WILLIAM F. HOWARD BY DEED DATED OCTOBER 2, 1964 AND RECORDED OCTOBER 20, 1964 AT PAGE 287 OF BOOK 53 OF DEEDS, RECORDS OF SKAMANIA COUNTY, WASHINGTON.

PARCEL III

A TRACT OF LAND IN THE B. B. BISHOP EXAMINATION LAND CLAIM, DESCRIBED AS FOLLOWS:

LOT 7, K.W. PETERSON SIORT PLAT, RECORDED JULY 28, 1976, UNDER AUDITOR'S FILE NO. 82540 IN BOOK 1 OF SIORT PLATS AT PAGE 44, RECORDS OF SKAMANIA COUNTY, WASHINGTON.

RECORDER'S NOTE: THIS
 DOCUMENT ILLEGIBLE AT
 TIME OF RECORDING.