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BOOK 107 PAGE 320

FILED FOR RECORD
SKAMANIA CO. WASH
BY SKAMANIA CO. TITLE

MAY 2 10 58 AM '88

E. Muffard
AUDITOR
GARY M. OLSON

After Recording Return To:

Rainier National Bank
Vancouver Office
P.O. Box 689
801 Main Street
Vancouver, WA 98666
Attention: Jim Williams

02-07-01-1-1-1000-00
SK-13385-2

LOAN MODIFICATION,
ADDITIONAL ADVANCE,
AND
EXTENSION AGREEMENT

THIS LOAN MODIFICATION, ADDITIONAL ADVANCE, AND EXTENSION AGREEMENT ("Agreement") is made by and among RAINIER NATIONAL BANK, a national banking association ("Rainier"), NORTHWEST AUTO PARTS CO., an Oregon corporation, and COCHRAN INVESTMENTS, an Oregon general partnership (jointly and severally "Borrowers"), and RAY L. COCHRAN and VIVIAN COCHRAN, husband and wife, and JOHN W. COCHRAN and PATSY COCHRAN, husband and wife (jointly and severally "Guarantors"), with respect to the following facts:

A. WHEREAS, Borrowers are indebted to Rainier as evidenced by:

(1) That certain Promissory Note dated September 11, 1984, in the original principal amount of \$685,000.00, together with interest thereon ("Note No. 1"), and

(2) That certain Promissory Note dated December 18, 1986, in the original amount of \$310,000.00, together with interest thereon ("Note No. 2");

B. WHEREAS, payment of Borrowers' indebtedness to Rainier is secured by a first lien Deed of Trust on the real properties and improvements thereto listed in Exhibit A (the "Deed of Trust"). The Deed of Trust has been recorded in Hood River County, Oregon, under Recording No. 841951; in Skamania County, Washington, under Recording No. 98497; and Klickitat County, Washington, under Recording No. 196059. In addition to the Deed of Trust, payment of Note No. 2 is also secured by a security interest in all of Northwest Auto Parts Co.'s inventory, accounts, equipment, and fixtures, as evidenced by certain security agreements executed by Northwest Auto

Parts Co., in favor of Rainier and a security interest in all of Cochran Investments' equipment and fixtures, as evidenced by a security agreement executed by Cochran Investments in favor of Rainier (collectively the "Security Agreements"). Note No. 2 is also subject to the terms and conditions of a Term Loan Agreement between Borrowers and Rainier dated December 18, 1986 (the "Term Loan Agreement");

C. WHEREAS, Guarantors have unconditionally and absolutely guaranteed to Rainier the payment of all indebtedness and obligations of Borrowers to Rainier as evidenced by that certain Unconditional Guaranty dated September 11, 1984 and those certain Guaranties dated December 18, 1986 (collectively the "Guaranty");

D. WHEREAS, Borrowers and Guarantors have requested Rainier to:

(1) Renew and consolidate Note No. 1 with an additional advance of \$ 162,461.34 and

(2) Renew and modify the monthly payment and maturity date of Note No. 2 following a principal reduction by Borrowers of \$100,000.00; and

E. WHEREAS, subject to the conditions of this Agreement, Rainier is willing to grant Borrowers' and Guarantors' requests.

NOW, THEREFORE, in consideration of the mutual benefits to be derived herefrom, the parties agree as follows:

1. RECITALS. Each of the above recitals is true and correct.

2. RENEWAL/ADDITIONAL ADVANCE OF NOTE NO. 1. As of the date of this Agreement, the balance owing by Borrowers to Rainier on Note No. 1 (principal ~~XXXXXXX~~) is \$ 456,338.66. Rainier agrees to renew Note No. 1 and make an additional advance to Borrowers of \$ 162,461.34 for a combined sum of \$ 618,800.00, repayable by Borrowers, together with interest, as provided in that certain Renewal and Additional Advance Promissory Note ("Renewal Note No. 1") to be executed and delivered by Borrowers to Rainier concurrently with Borrowers' and Guarantors' execution of this Agreement. Payment of the Renewal Note shall continue to be secured by the Deed of Trust.

3. RENEWAL/MODIFICATION OF NOTE NO. 2. Concurrently with Borrowers' and Guarantors' execution of this Agreement, Borrowers shall pay to Rainier the sum of \$100,000.00 to be applied in reduction of the principal balance owing on Note No. 2. Following the principal reduction, Note No. 2 shall be renewed (Renewal Note No. 2), and the monthly payment of principal and interest for Renewal Note No. 2 shall be modified as follows: Commencing with the payment due May 1, 1988, Borrowers shall make monthly payments of principal and interest in the amount of THREE THOUSAND AND NO/100 DOLLARS (\$3,000.00) until Renewal Note No. 2 is paid in full, provided, however, all outstanding principal and interest shall be due and payable, if not sooner paid, on April 1, 1993.

Payment of Renewal Note No. 2 shall continue to be secured by the Deed of Trust and the Security Agreements.

4. AMENDMENT AND RESTATEMENT. Concurrently with Borrowers' and Guarantors' execution of this Agreement, Borrowers shall execute and deliver to Rainier an Amended and Restated Term Loan Agreement which shall amend and restate the Term Loan Agreement to reflect and take account of the transactions contemplated in this Agreement.

5. CROSS DEFAULT. Any default by Borrowers of their obligations under this Agreement, Renewal Note No. 1, Renewal Note No. 2, the Deed of Trust, the Security Agreements or any other documents or instruments evidencing or securing payment of Borrowers' indebtedness or obligations to Rainier (collectively the "Loan Documents") shall, at Rainier's option, constitute a default under all of Borrowers' indebtedness and obligations to Rainier under the Loan Documents.

6. LOAN FEE. Concurrently with Borrowers' and Guarantors' execution of this Agreement, Borrowers shall pay to Rainier a nonrefundable loan fee of \$1,500.00.

7. REPRESENTATIONS AND WARRANTIES. As a material inducement to Rainier entering into this Agreement, Borrowers and Guarantors, and each of them, individually, jointly and severally, represent and warrant to Rainier:

(a) That they each have full legal power and authority to enter into this Agreement, that all necessary consents, if any, requisite to this Agreement have been obtained, and that when executed and delivered to Rainier, this Agreement and the transactions contemplated herein shall be the legal, binding and enforceable obligations of Borrowers and Guarantors and of each of them;

(b) That there exists no lien, charge, encumbrance or interest, legal or equitable, recorded or unrecorded, against the real property described in the Deed of Trust subsequent to the date (September 11, 1984) of the Deed of Trust; and

(c) That the loans, including the additional advance to which this Agreement relates, were or will be incurred exclusively for business or commercial purposes.

8. TITLE POLICY ENDORSEMENTS. Borrowers, at Borrowers' expense, shall cause the title insurance companies which issued to Rainier the mortgagee policies of title insurance insuring the lien priority and validity of the Deed of Trust to issue their endorsements to the policies that there has not been filed of record any lien, charge, encumbrance or other interest subsequent to the recording of the Deed of Trust.

9. PERFORMANCE. Borrowers promise to Rainier that Borrowers shall pay Borrowers' indebtedness to Rainier at the times and in the manner provided in Renewal Note No. 1 and in Renewal Note No. 2, and will otherwise keep, observe and perform every term, covenant and condition on Borrowers' part to be kept, observed and performed under this Agreement, Renewal Note No. 1, Renewal Note No. 2, the Amended and Restated Term Loan Agreement, the Deed of Trust, the Security Agreements and all other documents and instruments evidencing or securing payment of Borrowers' indebtedness and obligations to Rainier.

10. RATIFICATION. This Agreement shall be construed in connection with and as a part of Renewal Note No. 1, Renewal Note No. 2, the Amended and Restated Term Loan Agreement, the Deed of Trust, the Security Agreements and all other documents and instruments evidencing or securing

payment of Borrowers' indebtedness and obligations to Rainier. Except as expressly modified by this Agreement, and as the Term Loan Agreement is modified by the Amended and Restated Term Loan Agreement, the terms and conditions of Renewal Note No. 1, Renewal Note No. 2, the Deed of Trust, the Security Agreements and all other documents and instruments evidencing or securing payment of Borrowers' indebtedness to Rainier are hereby ratified and confirmed and shall be and remain in full force and effect.

11. GUARANTY. Guarantors and each of them hereby acknowledge and consent without exception to each and every term, covenant and condition of this Agreement. Guarantors and each of them hereby ratify and confirm the Guaranty, and each of its terms and conditions and covenant and agree with Rainier that the Guaranty constitutes, without limitation, Guarantors' unconditional and absolute guaranty to Rainier of the due and punctual payment, performance and observance of all of Borrowers' indebtedness and obligations to Rainier under this Agreement, Renewal Note No. 1, Renewal Note No. 2, the Amended and Restated Term Loan Agreement, the Deed of Trust, the Security Agreements and all other documents and instruments evidencing or securing payment and performance of Borrowers' indebtedness and obligations to Rainier.

12. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

DATED this 20th day of April, 1988.

RAINIER:

Rainier National Bank, a
national banking association

By: James M. Williams
Title: First Vice President

BOOK 109 PAGE 325

BORROWERS:

Northwest Auto Parts Co., an
Oregon corporation

By:

Ray L. Cochran
Ray L. Cochran, President

Cochran Investments, an Oregon
general partnership

By:

Ray L. Cochran
Ray L. Cochran, General Partner

By:

John W. Cochran
John W. Cochran, General Partner

GUARANTORS:

Ray L. Cochran
Ray L. Cochran

Vivian Cochran
Vivian Cochran

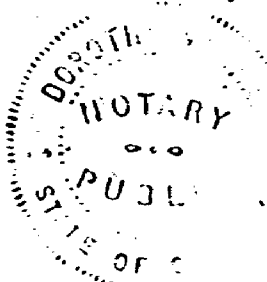
John W. Cochran
John W. Cochran

Patsy Cochran
Patsy Cochran

STATE OF Washington)
COUNTY OF Noah River) ss.

On this 20th day of April, 1988, before me, the undersigned, a notary public in and for the state of Washington, duly commissioned and sworn, personally appeared James H. Williams to me known to be the President of Rainier National Bank, the association that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said association, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said association.

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

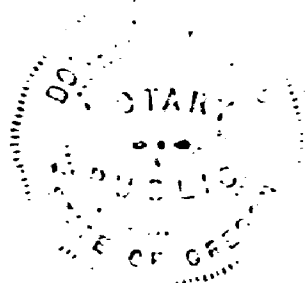


Dorothy T. McEachern
Notary Public in and for the State of
Washington, residing at 313 Eugene
My appointment expires 6/19/89

STATE OF Washington)
COUNTY OF Noah River) ss.

On this 20th day of April, 1988, before me, the undersigned, a notary public in and for the state of Washington, duly commissioned and sworn, personally appeared Ray L. Cochran to me known to be the President of Northwest Auto Parts Co., the corporation that executed the within and foregoing instrument, and acknowledged the 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 he is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

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



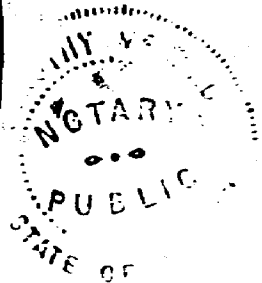
Dorothy T. McEachern
Notary Public in and for the State of
Washington, residing at 313 Eugene
My appointment expires 6/19/89

Oregon
STATE OF ~~WASHINGTON~~)

COUNTY OF *Hood River*) ss.

On this 30th day of April, 1988, before me, the undersigned, a notary public in and for the state of ~~Washington~~, duly commissioned and sworn, personally appeared Ray L. Cochran, to me known to be a General Partner in Cochran Investments, an Oregon general partnership, the general partnership that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said general partnership, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument on behalf of said general partnership.

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



Dorothy M. Mendenhall
Notary Public in and for the State of ~~Washington~~, residing at 313 Eugene *Hood River*
My appointment expires 6/19/89

Oregon
STATE OF ~~WASHINGTON~~)

COUNTY OF *Hood River*) ss.

On this 30th day of April, 1988, before me, the undersigned, a notary public in and for the state of ~~Washington~~, duly commissioned and sworn, personally appeared John W. Cochran, to me known to be a General Partner in Cochran Investments, an Oregon general partnership, the general partnership that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said general partnership, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument on behalf of said general partnership.

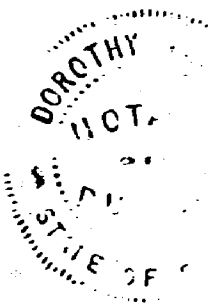
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

Dorothy M. Mendenhall
Notary Public in and for the State of ~~Washington~~, residing at 313 Eugene *Hood River*
My appointment expires 6/19/88

Oregon
STATE OF ~~WASHINGTON~~)
COUNTY OF Wood River) ss.

On this day personally appeared before me Ray L. Cochran to me known to be the individual described in and who executed the within 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 20th day of April, 1988.



Oregon
Dorothy M. Menard
Notary Public in and for the State of
~~Washington~~, residing at 313 Eugene, Wood River
My appointment expires 6/19/88.

Oregon
STATE OF ~~WASHINGTON~~)
COUNTY OF Wood River) ss.

On this day personally appeared before me Vivian Cochran to me known to be the individual described in and who executed the within foregoing instrument and acknowledged that she 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 20th day of April, 1988.



Oregon
Dorothy M. Menard
Notary Public in and for the State of
~~Washington~~, residing at 313 Eugene, Wood River
My appointment expires 6/19/88.

Eugene
STATE OF WASHINGTON)
COUNTY OF *Franklin*) ss.

On this day personally appeared before me John W. Cochran to me known to be the individual described in and who executed the within 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 20th day of April, 1988.

Eugene
Emily W. Wrenn
Notary Public in and for the State of
Washington, residing at 313 Eugene Road Home
My appointment expires 6/19/88

Eugene
STATE OF WASHINGTON)
COUNTY OF *Franklin*) ss.

On this day personally appeared before me Patsy Cochran to me known to be the individual described in and who executed the within foregoing instrument and acknowledged that she 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 20th day of April, 1988.

Eugene
Emily W. Wrenn
Notary Public in and for the State of
Washington, residing at 313 Eugene
My appointment expires 6/19/88

(a:\Inmodagr.dhr3)

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Exhibit A

BOOK 60 PAGE 927

SK-13385

02-07-01-0-1000-00

DEED OF TRUST AND ASSIGNMENT OF INTERESTS

BOOK 109 PAGE 330

THIS DEED OF TRUST made this 11th day of Sept, 1984, between Northwest Auto Parts Co., an Oregon Corporation and Cochran Investments, an Oregon general partnership whose address is 2000-12th Street, Hood River, OR 97031 hereinafter called Trustor, and Ticor Title Insurance Company, a corporation, hereinafter called Trustee, and Rainier National Bank, a national banking association, ~~XXXXXXXXXXXXXXXXXXXX corporation~~ hereinafter called Beneficiary, WITNESSETH:

That Trustor irrevocably grants, bargains and sells to Trustee in trust, with power of sale, that property in the City of _____, County of Hood River, State of Oregon, ~~XXXXXXXX~~ Skamania and Klickitat County, State of Washington, described as follows:

See Exhibit A for the legal description.



Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Trustor to collect and apply such rents, issues and profits prior to any default hereunder; and including all buildings and improvements now or hereafter thereon, and all appurtenances, easements, right in party walls, water and water rights, pumps and pumping plants and all shares of stock evidencing the same; all machinery, equipment, appliances and fixtures for generating or distributing air, water, heat, electricity, light, fuel or refrigeration, or for ventilating or sanitary purposes, or for the exclusion of vermin or insects, or for the removal of dust, refuse or garbage; all wallbeds, wallcases, built-in furniture and installations, shelving, lockers, partitions, door stops, vaults, elevators, dumbwaiters, awnings, window shades, venetian blinds, light fixtures, fire hoses and brackets and boxes for same, fire sprinklers, alarm systems, drapery rods and brackets, screens, linoleum, carpets, plumbing, laundry tubs and trays, ice boxes, refrigerators, heating units, stoves, water heaters, incinerators, communication systems, ~~XXXXXXXXXXXXXXXXXXXX~~ and all other fixtures, machinery, equipment and goods now or hereafter located in, or on, or used, or intended to be used in connection with the real property described above and the property described on exhibit B hereto; all of said items whether now or hereafter installed being hereby declared to be, for all purposes of this Deed of Trust, a part of the realty; and all the estate, interest or other claim or demand including insurance, in law as well as in equity, which Trustor now has or may hereafter acquire, in and to the aforesaid property; the specific enumerations herein not excluding the general.

(except as indicated on Exhibit "A")
The Trustor hereby warrants that said Trustor is the owner in fee simple absolute of the above described property and every part thereof; that the same is free from all liens and encumbrances, except those accepted by Beneficiary in writing, and that the Trustor will defend the title hereby granted to and in favor of the Trustee and Beneficiary as against all and every person claiming or to claim the same.

This Deed of Trust is made for the purpose of securing, in such order of priority as Beneficiary may elect, payment of (1) the indebtedness in the sum of \$685,000.00 evidenced by that certain Promissory Note of even date herewith made by Trustor, delivered to Beneficiary and payable to its order, with final payment due on the 11th day of September, 1989, which is the maturity date of this Deed of Trust, and any and all modifications, extensions or renewals thereof, whether hereafter evidenced by said Note or otherwise; (2) interest on said indebtedness according to the terms of said Promissory Note; (3) all other sums, with interest as herein provided, becoming due and payable under the provisions hereof to Trustee or Beneficiary; (4) performance of each and every condition, obligation, covenant, promise or agreement contained herein, or in said Note, or in any loan agreement relative to any indebtedness evidenced by said Note, or in any security agreement or Deed of Trust at any time given to secure any indebtedness hereby secured or any part thereof; (5) such additional sums with interest thereon as may be hereafter borrowed from the beneficiary, its successors or assigns, by the then record owner or owners of said property when evidenced by another Promissory Note or notes which are by the terms thereof secured by this Deed of Trust.

If located in Idaho, the trust property either is not more than twenty (20) acres in area or is located within an incorporated city or village. If located in Washington, the trust property is not used principally for agricultural or farming purposes. If located in Oregon, the trust property is not now used for agricultural, timber or grazing purposes.

If located in Montana, the trust property is not more than 15 acres.

A. To protect the security of this Deed of Trust and Assignment of Rents, Trustor agrees:

1. To keep said property in good condition and repair; not to permit or suffer any extraordinary repairs or removal or demolition of, or a structural change in any building, fixture, equipment, or other improvement on said property; to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property or requiring any alteration or improvements to be made thereon; not to commit or permit waste thereon; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumeration herein not excluding the general; and to keep said property free from all encumbrances, except those accepted by Beneficiary in writing.

2. To complete or restore promptly and in good and workmanlike manner any buildings or improvements which may be constructed, damaged, or destroyed thereon, and pay when due all costs incurred therefor, and, if the loan secured hereby or any part thereof is being obtained for the purpose of financing construction of improvements on said property, Trustor further agrees: to complete same in accordance with plans and specifications satisfactory to Beneficiary, to allow Beneficiary to inspect said property at all times during construction, to replace any work or materials unsatisfactory to Beneficiary within fifteen (15) calendar days after written notice from Beneficiary of such fact, which notice may be given to the Trustor by registered mail, sent to his address hereinafter specified, or by personal service of the same. If said work upon the construction or restoration of the building or buildings shall be discontinued for a period of fifteen (15) days, the Beneficiary may, at its option, also enter into and upon the said premises and complete the construction or restoration of said building or buildings. The Trustor hereby gives to the Beneficiary full authority and power to make such entry and to enter into such contracts or arrangements as may be necessary to complete or restore said building or buildings and all monies expended by the Beneficiary in connection with such completion or restoration shall be added to the principal theretofore advanced under said note and secured by these presents and shall be payable by the Trustor on demand with interest as provided in said Note.

The Trustee, upon presentation to it of an affidavit signed by Beneficiary setting forth facts showing a default by Trustor under this numbered paragraph or under any other provision of this Trust Deed, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

3. To keep the buildings and improvements now and/or hereafter upon the said premises uncensuredly insured against loss by fire and other hazards in such amount and form as may be required by the Beneficiary, the policy to contain waiver of the fallen building clause, the insurance to be payable in case of loss to the Beneficiary as its interest may appear, all renewal policies to be delivered to the Beneficiary at least ten (10) days prior to the expiration of the policy or policies renewed. All insurance policies covering any structure upon said premises, regardless of amount, shall be payable as aforesaid, shall be carried in companies approved by Beneficiary, and delivered to the Beneficiary. Beneficiary, in case of loss, may make proof of claim. The amount collected under any fire or other insurance policy may be applied by the Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, without regard to whether or not its security is impaired, or at the sole and absolute option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor, but in any event Beneficiary may deduct and retain from the proceeds of such insurance the amount of all expenses incurred by it in connection with any such settlement. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

4. To appear in and 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 evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding, or appeal therefrom, in which Beneficiary or Trustee may appear.

5. To pay, at least ten days before the due date (and, in the case of annual property taxes, before the first installment thereof becomes due), all taxes and assessments affecting said property or upon this Deed of Trust or the debt secured thereby, or against the Beneficiary by reason of the ownership of said Deed of Trust and Note, or either of them, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto and to deliver to the Beneficiary upon request the official receipt or receipts showing payment thereof; all costs, fees and expenses of this trust.

6. Unless this covenant is prohibited by law or waived in writing by Beneficiary, to pay each year to Beneficiary, together with and in addition to the monthly payments of principal and interest payable under the terms of the Note secured hereby, until said Note is fully paid, in equal monthly installments, the estimated amount of the annual property taxes, assessments, insurance premiums and similar charges next payable, as estimated by Beneficiary. If at any time Beneficiary determines that such payments will not be sufficient to account for each such charge on its due date (and in the case of annual property taxes, on the due date of the first installment thereof), Trustor will pay to Beneficiary, upon demand, additional sums as necessary to account for such deficiency. *No reserves shall be required unless borrower defaults in payment of taxes or insurance.

At its election:

(a) Beneficiary may apply the sums hereunder as received (without prepayment charge and without limiting the privilege, if any, to prepay any amounts secured hereby) first to accrued interest and then to the principal balance secured hereby. Beneficiary is authorized to pay each such charge when it (and in the case of annual property taxes, the first installment thereof) is due. The amounts so paid will be added to the principal balance secured hereby and bear interest at the Note rate; or

(b) Beneficiary may retain the payments hereunder and apply them to such charges when they (and in the case of annual property taxes, the first installment thereof) become due. Sums received shall not earn interest and may be commingled with other funds of Beneficiary. If Beneficiary is required by law to pay interest on these sums Beneficiary may, to the extent permitted by law, impose a charge for holding and disbursing such funds.

As an additional covenant hereof, and in any event if the foregoing provision for prepayment is at any time prohibited by law, or waived in writing by Beneficiary, or Trustor fails to make prepayments in the full amount required hereunder, Trustor shall pay such charges when they (and in the case of annual property taxes, the first installment thereof) are due and, upon demand, provide Beneficiary with satisfactory evidence of payment and coverage.

7. Should Trustor fail to make any payment or to do any act as provided for in this subdivision A, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor 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 said property for such purpose. The Beneficiary and/or Trustee may at any time, prior to full payment of all sums secured by this Trust Deed, 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 power conferred by this Trust Deed, pay necessary expenses, employ counsel and pay his reasonable fees. Trustor agrees to repay immediately and without demand all sums so expended by Beneficiary or Trustee with interest from date of expenditure at the rate set forth in the Note secured hereby.

8. To fully perform all the terms and conditions on his part to be performed in any existing or future lease with respect to which he is lessor covering all or a portion of the above-described real property, and that Trustor will not, without the prior written consent of Beneficiary, terminate, cancel or accept the surrender of, or suffer or permit the termination, cancellation or surrender of such lease, except upon the expiration of the term thereof, or materially modify or alter, or suffer or permit the material modification or alteration of such lease. Trustor further covenants and agrees not to enter into any lease for a term in excess of one year of all or any portion of the above described real property without the prior written consent of Beneficiary.

9. To pay all premiums upon any life insurance policy which may be held by the Beneficiary as additional security for the debt herein referred to.

10. To pay Beneficiary for each and every beneficiary statement furnished at Trustor's request the maximum fee allowed by law which, if the trust property is located in California, shall be pursuant to Section 2943 of the Civil Code of California and all amendments thereto, the provisions of which are incorporated herein by reference and made a part hereof. Such fee shall be computed as of the time said statement is furnished.

B. It is mutually agreed that:

1. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of or damage or injury to said property, or any part thereof, or for the conveyance in lieu of condemnation thereof, are hereby assigned to and shall be paid to Beneficiary. In addition, all causes of action, whether accrued before or after the date of this Deed of Trust, of all claims for damages or injury to said property or any part thereof, including without limitation causes of action arising in tort or contract and causes of action for fraud or concealment of a material fact, are hereby assigned to Beneficiary and the proceeds shall be paid to Beneficiary. Beneficiary may elect, in its sole and absolute discretion, without regard to whether or not its security is impaired, to apply any and all such sums on any portion of the indebtedness selected by it, whether then matured or subsequently to mature, or to release the entire amount so received by it or any part thereof.

2. 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.

3. At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said Note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey all or any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or in any agreement subordinating the lien or charge hereof.

4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matter or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

5. The Beneficiary may from time to time appoint another Trustee or Trustees to execute the trusts hereby created, such appointment to be written and acknowledged and filed in the office of the county recorder where this Trust Deed is filed or recorded. Any Trustee or Trustees so appointed shall be vested with all the title and powers and subject to all the trusts conferred hereby.

6. Trustor hereby assigns the rents, issues and profits of the trust property and hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, or the solvency of mortgagor, or the presence of waste or danger of loss or destruction of the security, enter upon and take possession of said property or any part thereof, and any personal property in which Beneficiary has a security interest as additional security for the indebtedness secured by this Deed of Trust, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. ~~or the Construction Loan Agreement of even date~~ herewith between Trustor and beneficiary.

7. Time is material and of the essence hereof. If Trustor does not pay the secured indebtedness as provided, or if Trustor does not comply with the terms and conditions of this Deed of Trust, or if a proceeding under any bankruptcy, receivership or insolvency law be instituted by or against Trustor, or if the Trustor makes an assignment for the benefit of creditors, or if state laws are changed hereafter to impose what Beneficiary may deem to be a substantial tax upon Deed of Trust shall be in default. Any default under this Deed of Trust shall constitute a default under the note which it secures and under all other security instruments securing the note. Any default under such other security instruments shall constitute a default under this Deed of Trust. Upon default, Beneficiary may (but if the trust property is located in Nevada, only after the period of time required by law) declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be recorded, filed for record, mailed, published and/or posted as may be required by law. Beneficiary also shall deposit with Trustee this deed, said note and all documents evidencing expenditures secured hereby. Also, see the provisions set forth on Exhibit C attached hereto.

8. After the lapse of the period required by law following the recordation of said notice of default, and notice of sale having been given as required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, or otherwise in the manner prescribed by law, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale. All unexpired hazard insurance on the property so sold shall pass to and inure to the benefit of the purchaser of such property at such sale and Beneficiary is hereby irrevocably authorized to assign in Trustor's name to such purchaser all such policies, which may be amended or rewritten to show the interest of such purchaser.

9. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with accrued interest at the rate set forth in the Note secured hereby, ~~the rate set forth in the Note secured hereby~~ and the remainder, if any, to the person or persons legally entitled thereto.

10. If Beneficiary elects to commence suit for the foreclosure of this Deed of Trust, Trustor agrees to pay to Beneficiary or Trustee (whichever may be the plaintiff in said foreclosure suit) the costs of such suit and such reasonable sum for attorney's fees as the court may allow, including those on appeal whether said suit be brought to a decree or not, and also such further sums, if any, as Beneficiary or Trustee shall have paid for procuring an abstract of, or search of, the title to said premises subsequent to the execution of this Deed of Trust, and also a reasonable fee for Trustee. All moneys herein agreed to be paid shall be secured hereby. Trustor consents to a personal deficiency judgment for any part of the debt hereby secured which shall not be paid by the sale of the trust property, unless such judgment is prohibited by law, and expressly waives (1) any claim of homestead and (2) all rights to possession of the premises during the period allowed by law for redemption.

11. Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. 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 the Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

12. This deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The right to plead any Statute of Limitations in any suit brought upon said promissory note or the indebtedness thereby evidenced or to foreclose or enforce this Trust Deed or arising therefrom or by reason of any default of the Trustor, is hereby waived to the full extent permissible by law. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

13. a. This loan is personal to Trustor and not assignable. In making it, Beneficiary has relied on Trustor's credit, Trustor's interest in the trust property, and financial market conditions at the time this loan is made.

The Property shall not be sold, conveyed, encumbered or transferred by Trustor without the Beneficiary's prior, written consent. If title to said Property shall pass from Trustor by deed or otherwise, or if said Property is sold on contract, ~~or if said Property is sold on contract, or~~ ~~or if said Property is sold on contract, or~~ or if the Property is vacated by Trustor, such change in title or occupancy shall be deemed to increase the risk of the Beneficiary, and the Beneficiary may declare all sums secured hereby immediately due and payable, or may at its sole option consent to such change in title or occupancy and increase the interest rate on the indebtedness hereby secured.

14. If any person or persons shall be named as Trustor, Beneficiary or Trustee in this Deed of Trust, and if any of them shall die, the same shall not operate to terminate the trusts hereby created, but the same shall continue in full force and effect until the death of the last surviving person named as Trustor, Beneficiary or Trustee in this Deed of Trust.

15. Any Trustor who is a married person hereby expressly agrees that recourse may be had against his or her other property, however owned, but without hereby creating any lien or charge thereon, for any deficiency due after sale of the property hereunder; except that this provision shall not apply in the case of a Trustor who executes this Deed of Trust but not the Note secured hereby.

16. If a Trustor who is a married person executes this Deed of Trust, but the Note secured hereby, it is understood that this shall not be construed, of itself, as any evidence as to whether or not each Trustor in fact has any interest in the property hereinabove described, or expects to acquire any interest therein. Such Trustor executes this Deed of Trust solely to protect the Beneficiary, in the event that such Trustor does in fact now have, or should later acquire, by any means whatsoever, an interest in said property.

17. If the trust property is located in California, Trustor hereby waives the provision of Section 431.70 of the Code of Civil Procedure of the State of California and all amendments thereto.

18. Trustor, for itself and for all persons hereafter claiming through or under it or who may at any time hereafter become holders of liens junior to the lien of this Deed of Trust, hereby expressly waives and releases all rights to direct the order in which any of the property shall be sold in the event of any sale or sales pursuant hereto and to have any of said property and/or any other property now or hereafter constituting security for any of the indebtedness secured hereby marshaled upon any foreclosure of this Deed of Trust or of any other security for any of said indebtedness.

19. In the event any one or more of the provisions contained in this Deed of Trust shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Deed of Trust, but this Deed of Trust shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

20. Notwithstanding any other provision of this Deed of Trust, any person who executes this Deed of Trust, but not the Note secured hereby, shall have no personal liability on the Note or for any deficiency judgment which may be obtained upon foreclosure of this Deed of Trust. Such persons jointly and severally waive presentment, demand, protest and all notices and agree that Beneficiary, without notice to them or their consent, and upon such terms as Beneficiary may deem advisable, and without affecting in any way Beneficiary's rights hereunder as against the Trust Property, may:

a. Extend, release, surrender, exchange, compromise, discharge or modify any right or obligation secured by or provided by this Deed of Trust or any other instrument securing this loan, or

b. Take any other action which Beneficiary may deem reasonably appropriate to protect its security interest in the Trust Property.

21. If the Trust Property is located in Nevada, then to the extent not inconsistent with the foregoing provisions of this Deed of Trust, the following covenants, numbers 1, 2 (full replacement value), 3, 4 (12 percent), 5, 6, 7 (a reasonable percentage), 8 and 9 of NRS 107.030 are hereby adopted and made a part of this Deed of Trust.

22. This Deed of Trust has been executed and delivered in the State of Oregon and is to be construed and enforced according to and governed by the laws of the State of Oregon except to the extent the property is located in Washington, then Washington law will apply.

23. Upon demand, Trustor will provide Beneficiary with operating statements and other financial information relevant to the use, operation and income of the Trust Property, including access to the books and records.

24. Upon default by Trustor and following the acceleration of maturity as herein provided, a tender of payment of the amount necessary to satisfy the entire indebtedness secured hereby made at any time prior to foreclosure sale (including sale under power of sale) by the Trustor, its successors or assigns or by anyone in behalf of the Trustor, its successors or assigns, shall constitute the evasion of the prepayment terms of said Note and be deemed to be a voluntary prepayment thereunder and any such payment to the extent permitted by law, will, therefore, include the additional payment required under the prepayment privilege, if any, contained in said Note.

25. Beneficiary at any time and from time to time, by instrument in writing, may substitute and appoint a successor or successors (either corporate or individual) to any trustee named herein or previously substituted hereunder, which instrument when executed, acknowledged, and recorded in the office of the Recorder of the county or counties where said property is situated shall be conclusive proof of the proper substitution and appointment of each such successor, trustee or trustees, who shall then have all the title, powers, duties and rights of the predecessor trustee, without the necessity of any conveyance from such predecessor. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to him at his mailing address, to-wit:

Name of Trustor Street Address Post Office State

Signature of Trustor

SEE EXHIBIT "C"

STATE OF _____)
) ss.
County of _____)

On this _____ day of _____, before me, a Notary Public in and for said County and State, residing therein, personally appeared

_____ , known to me to be the person
whose name subscribed to the within instrument, and he acknowledged to me that he
executed the same.

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

Notary Public in and for said County and State

My Commission expires:

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by said trust deed have been fully paid and satisfied. You hereby are directed, on payment to you of any sums owing to you under the terms of said trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by said trust deed (which are delivered to you herewith together with said trust deed) and to reconvey, without warranty, to the parties designated by the terms of said trust deed the estate now held by you under the same. Mail reconveyance and documents to _____

DATED: _____, 19____

Beneficiary

EXHIBIT "A"

Parcel 1: Beginning at the Southeast corner of Section 35, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Hood River and State of Oregon; thence North along the East line of said Section 35, 355 feet to the Southeast corner of that tract conveyed to Tom & Tom, Inc., by deed recorded October 25, 1962, in Book 71, page 780, Deed Records; thence West parallel with the South line of said Section, 524 feet; thence South parallel with the East line of said Section 355 feet to a point on the South line of said Section; thence East 524 feet to the point of beginning, EXCEPTING THEREFROM that portion granted to the State of Oregon by and through its State Highway Commission, by judgment entered May 24, 1968, in Suit No. 5944; all of which property is located in the County of Hood River, State of Oregon.

Parcel 2: Lots 5 and 6, Block 2, TOWN OF ODELL, in the County of Hood River and State of Oregon, together with an easement for encroachment over and across a portion of Lot 7, as set forth in Contract recorded December 21, 1973, as Recorder's Fee No. 732537; all of which property is located in the County of Hood River, State of Oregon.

Parcel 3: Lots 29, 30, 31 and 32 of block six of the Town of Stevenson according to the official plat thereof on file and of record at page 11 of Book "A" of Plats, Records of Skamania County, Washington.

Parcel 4: The south one-half of Lots 4 and 5, Block 7, Town of Bingen, as recorded in Volume H of Deeds, Page 172, Records of Klickitat County, State of Washington. SUBJECT TO the interest of Myrtle O. Wilke, as Vendor, under the real estate contract dated December 2, 1977, recorded under Auditor's File No. 163967.

Parcel 5: The north one-half of Lots 4 and 5, Block 7, Town of Bingen, as recorded in Volume H of Deeds, Page 172, Records of Klickitat County, State of Washington.

EXHIBIT "B"

As to the property described as Parcel 1 on Exhibit "A" hereto, said property shall also include:

All materials, supplies and other goods, collectively referred to as "materials" now or hereafter acquired, wherever located, whether in the possession of the Trustor, warehouseman, bailee, or any other person, purchased for use in the construction or furnishing of improvements on the said real estate, together with any documents covering such materials, all contract rights and general intangibles relating to such materials, and proceeds of such materials, documents, contract rights and general intangibles.

All permits, licenses and franchises with respect to the property.

All site plans, plats, architectural plans, specifications, work drawings, surveys, engineering reports, test borings, market surveys and other work products relating to the development of the property.

All of Trustor's rights under construction contracts relating to improvements on the property, and all amendments thereto, together with all of Trustor's right, title and interest in and to any and all performance, payment and completion or other surety bonds now or hereafter issued by any surety in connection with or related to the aforesaid construction contracts.

As to the property described as Parcel 4 on Exhibit "A" hereto, said property shall also include:

All of Trustor's rights under that real estate contract of sale dated December 2, 1977, between Myrtle O. Wilke, as seller, and Elizabeth A. Knight, as purchaser, recorded December 16, 1977 under Klickitat County, Washington Recording No. 163967, the purchaser's interest under which contract is now held by Cochran Investments, an Oregon general partnership.

RECORDED IN THE
CLERK'S OFFICE OF THE
COUNTY OF WASHINGTON

FILED IN THE
OFFICE OF THE
CLERK OF THE
COUNTY OF WASHINGTON
ON 11-15-84

WASHER 60
7719 429

RECORDED IN THE
OFFICE OF THE
CLERK OF THE
COUNTY OF WASHINGTON
ON 11-15-84
BY MARY M. ALLEN
CLERK

INITIAL
X JLC
X JWC

EXHIBIT "C"

(Continuation of Paragraph 7 from Page 3)

This Deed of Trust secures properties located in Washington and in Oregon. Beneficiary shall have the right, in its sole discretion, to choose the order in which to foreclose upon the properties. After foreclosure of one or more of the properties, Beneficiary may cause the remaining parcels to be sold at one or more foreclosure sales. If Beneficiary elects, Beneficiary may cause all of the properties to be sold at one non-judicial or one judicial sale. In case of such single sale, such sale shall be held in Hood River, Oregon, but all notices required by Washington law will be given with respect to the Washington property to the extent applicable to the Washington property. Beneficiary may also seek a court's equity jurisdiction in arranging the sales of the properties.

BORROWERS:

NORTHWEST AUTO PARTS CO.

By: Ray L. Cochran
ITS: RAY L. COCHRANCOCHRAN INVESTMENTS, an Oregon
general partnershipBy: Ray L. Cochran
RAY L. COCHRAN, general
partnerBy: John W. Cochran
JOHN W. COCHRAN, general
partner

98497

NOTARY ACKNOWLEDGEMENTS

BOOK 709 PAGE 338

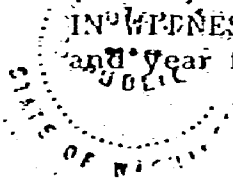
STATE OF Washington)
) S.S.
COUNTY OF Klickitat)

On this 11 day of Sept, A.D. 1984, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Ray L. Cochran

to me known to be the President xxxx (respectively), of Northwest Auto Parts Co.

the Corporation that executed the foregoing instrument, and acknowledged the 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 s/t/he/y is/are authorized to execute the said instrument and that the Seal affixed [if any] is the Corporate Seal of said Corporation.

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



[Signature]
Notary Public in and for the State of Washington residing at White Salmon.

STATE OF Washington)
) S.S.
COUNTY OF Klickitat)

On this 11 day of Sept, A.D. 1984, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Ray L. Cochran, to me known to be the General Partner in COCHRAN INVESTMENTS, an Oregon Partnership, the Partnership that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Partnership for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument on behalf of said Partnership.

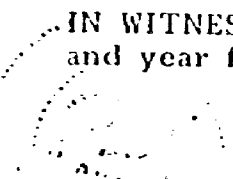
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

[Signature]
Notary Public in and for the State of Washington residing at White Salmon.

STATE OF Washington)
) S.S.
COUNTY OF Klickitat)

On this 11 day of Sept, A.D. 1984, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared John W. Cochran, to me known to be the General Partner in COCHRAN INVESTMENTS, an Oregon Partnership, the Partnership that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Partnership for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument on behalf of said Partnership.

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



[Signature]
Notary Public in and for the State of Washington residing at White Salmon.