

DEED OF TRUST

59651-225  
 THIS DEED OF TRUST made this 31st day of August, 1990, between STEVENSON CO-PLY, INC., Grantor, whose address is P.O. Box 910, Stevenson, WA. 98648, Skamania County Title Company, Trustee, and all shareholders of Stevenson Co-Ply, Inc. currently holding Debenture Notes Series A and Series B, whose business address is P.O. Box 910, Stevenson, WA. 98648.

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

Section 35, EXCEPT the West half of the Northwest quarter and the Northwest quarter of the Southwest quarter; and the Southwest quarter of Section 36, Township 3 North, Range 5 East of the Willamette Meridian.

9790

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

This Deed is for the purpose of securing performance of each agreement of the Grantor herein contained, specifically making reference to the Debenture Notes, Series A and Series B, that are currently issued, and the payment of the sum not exceeding FIFTY THOUSAND DOLLARS (\$50,000.00) with interest, in accordance with the terms of the Debenture Notes entered into as of August 1st, 1990, payable to Beneficiaries 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 the 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; 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 security of this Deed of Trust.
3. To defend any action or proceeding according to effect of security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including costs 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.
4. 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.
5. Should Grantor fail to pay when due any taxes, assessments, liens, encumbrances or other charges against the property hereinabove described, Beneficiary shall 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 the Deed of Trust.

IT IS MUTUALLY AGREED that:

1. If Stevenson Co-Ply, Inc. shall become extinct, disbanded, or cease to function as a viable corporation, then, at the option of the holders of these Notes, the entire amount of principal and interest shall become due and payable within one year following such disbandment or dissolution.

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

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

4. 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 Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary for the person entitled thereto.

5. Upon default by the 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 the 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 distributed to the persons entitled thereto.

6. 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 the Grantor had or had the power to convey at the time of the 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 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 Purchaser and encumbrancers for value.

7. 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.

8. In the event of the death, incapacity, disability or resignation of the 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 the Grantor, Trustee or Beneficiary shall be a party unless such action or proceeding is

brought by the Trustee.

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

**STEVENSON CO-PLY, INC.**

JOHN KILPATRICK, President

JACK BELL, Vice President

CHANCEY R. DAVIS, JR.,  
Secretary/Treasurer

LOUIE NANCE, Asst. Secretary

James Callahan  
JAMES CALLAHAN, Director

James Fine  
JAMES FINE, Director

LARRY SMITH, Director

STATE OF WASHINGTON )  
COUNTY OF SKAMANIA ) ss

On this day personally appeared before me, John Kilpatrick; Jack Bell; Chancey R. Davis, Jr.; Louie Nance; James Callahan; James Fine and Larry Smith, to me known to be the individuals described herein, and acknowledged to me that they signed the foregoing instrument as their free and voluntary act and deed for the uses and purposes therein mentioned.

NOTARY PUBLIC in and for the  
State of Washington, residing  
at  
MY COMMISSION EXPIRES ON 2-8-92



FILE FOR RECORD  
SKAMMUNA WASH  
BY SKAMMUNA CO, TITLE

SEP 5 2 17 PM '90

P. Lowry  
GARY E. OLSON