

PLEDGE

LOUIS M JOSEPH and ROSE JOSEPH, husband and wife, Pledgors, hereby pledge to the WASHINGTON STATE BANK, Pledgee, the following described collateral:

Lease, dated the 15th day of November, 1971, by and between Louis F. Joseph and Rose Joseph, husband and wife, as Lessors, and Clarke County Savings & Loan Association, as Lessee, the subject matter of which is real property and improvements thereon, located in Stevenson, Washington, more particularly described as follows:

A tract of land in Section 1, Township 2 North, Range 7 E. W.M., particularly described as follows: Beginning at the SW corner of Block #8 of the Town of Stevenson as shown on the official plat for the Town of Stevenson filed and of record in Book A at the 11th page of the plats of Skamania County; thence N 34° 30' W 30.00 ft.; thence S 55° 30' W 88.00 ft.; thence N 34° 30' W 22.00 ft.; thence S 55° 30' W 38.00 ft.; thence S 34° 30' E 52.00 ft.; thence N 55° 30' E 126.00 ft. to the point of beginning; on which a building is to be constructed approximately 34 x 28, said building to be constructed according to plans and specifications including Adenda #1, which have been approved in writing by Lessor and lessee,

together with the proceeds thereof, as additional security for the Pledgors' indebtedness to the Pledgee, as evidenced by that certain promissory note by the Pledgors to the Pledgee in the amount of \$13,100, executed on the 16th day of November, 1971, and the mortgage securing the same of even date therewith, covering the same property which is the subject matter of the lease agreement described herein.

Pledgors covenant and warrant:

1. That their title to the collateral is marketable and free from any prior encumbrances of any kind.
2. To pay before delinquency any tax or governmental charge which is or can become through assessment or distraint or otherwise, a lien on the collateral.
3. To keep such of the collateral as is insurable continuously insured at their expense, against the hazards, in the amounts, and by an insurer indicated or approved by Pledgee.
4. To neither create, cause nor permit the creation of any other lien or security interest in the collateral save on prior writ-

ten consent of the Pledgees.

5. To perform every obligation and undertaking secured hereby when the same shall become due and to pay any deficiency remaining after realization on the collateral by Pledgee.

6. To pay, if this security agreement or any obligation secured by it, is referred to an attorney for collection or realization, a reasonable attorney's fee, including fees incurred in either a trial court or an appellate court.

It is understood and agreed between Pledgors and Pledgee
that:

1. Pledgee has been put in possession of the lease referred to above, and has a right to retain possession until all obligations and undertakings of the Pledgors secured hereby have been fully paid and performed.

2. All payments on said lease may be made directly to the Pledgee by the Lessee thereof, and any amounts over and above the monthly payment owed by the Pledgors to the Pledgee shall be credited to the Pledgors' account or as directed by the Pledgors.

3. The Pledgee covenants that in the event it becomes necessary for the Pledgors to protect their interest under said lease, the Pledgee shall cooperate in all respects in-so-far as insuring the Pledgors' legal remedies against the Lessee in said lease.

4. Any notice by Pledgee to Pledgors shall be transmitted to the mailing address of the Pledgors which is recited below.

5. Ten days from the date on which the notice is sent shall be a reasonable period of notification of sale or other disposition of collateral by Pledgee.

6. The mailing address of the Pledgors which is recited below is also the place of their residence.

7. This agreement expresses the full and final purpose of the parties and shall not be qualified or supplemented by course of dealing.

SIGNED this 16 day of November, 1971.

PLEDGORS:

Louis P. Joseph
Rose M. Joseph
Rose M. Joseph
Mailing Address
Steinwood, Wash. 98645

STATE OF WASHINGTON,)
)
County of Clark) ss.

On this day personally appeared before me LOUIS P. JOSEPH and ROSE JOSEPH, husband and wife, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledge that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 16th day of November, 1971 AD.

C. S. C. 17
Notary Public in and for the State of Washington
residing at Vancouver, Washington,