

P L E D G E

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 be-
 tween 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
 SE 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 speci-
 fications including Addenda #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
 \$18,200 executed on the 16th day of November, 1971, and the mort-
 gage securing the same of even date therewith, covering the same
 property which is the subject matter of the lease agreement describ-
 ed 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 continuous-
 ly 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 Pledgee.

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 16th day of November, 1971.

PLEDGORS:

{ Louis M. Joseph
 { Rose Joseph
 { Mailing Address
 { Vancouver, B.C. 98108

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

On this day personally appeared before me LOUIS F. 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 acknowledged
 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. D. V. Smith
 Notary Public in and for the State of Washington
 residing at Vancouver, Washington.