

00577

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USDA-FMHA
Form FMHA 427-7 WA
(Rev. 6-12-59)

Position 5

REAL ESTATE DEED OF TRUST FOR WASHINGTON

(Rural Housing)

THIS DEED OF TRUST is made and entered into by and between the undersigned

George M. Gardner and Georgeie K. Gardner, husband and wife;

N P .98 L Riverside Drive, Washougal, Washington 98671

residing in Skamania County, Washington, as grantor(s), herein called "Borrower," and the Farmers Home Administration, United States Department of Agriculture, acting through the State Director of the Farmers Home Administration for the State of Washington whose post office address is Room 319 Federal Office Building, 101 Yamhill Street, Vancouver, Washington 98601, as trustee, herein called "Trustee," and the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, as beneficiary, herein called "the Government," and

WHEREAS Borrower is indebted to the Government as evidenced by one or more promissory note(s) or assumption agreement(s), herein called "note," which has been executed by Borrower, is payable to the order of the Government, authorizes acceleration of the entire indebtedness at the option of the Government upon any default by Borrower, and is described as follows:

Date of Instrument	Principal Amount	Initial Rate of Interest	Due Date of First Installment
April 9, 1980	\$5,000.00	10%	April 9, 2013
February 28, 1980	\$40,000.00	9%	February 28, 2013

If the interest rate is less than 10% for farm ownership or operating loans issued by this instrument, then the rate may be changed as provided in the note.

Interest evidence a loan to Borrower and the Government, at any time, may assign the note and make the payment thereof pursuant to Title V of the Housing Act of 1949, or any other statute aforesaid by the Farmers Home Administration.

It is the purpose and intent of this instrument that, among other things, at all times when the note is held by the Government, or in the event the Government should assign this instrument without instance of the note, this instrument shall secure payment of the note, but when the note is held by an insured holder, this instrument shall not secure payment of the note or attach to the debt evidenced thereby, but as to the note and such debt shall constitute an indemnity deed of trust to secure the Government against loss under its insurance contract by reason of any default by Borrower.

And this instrument also secures the receipt of any interest credit or subsidy which may be granted to the Borrower by the Government pursuant to 42 U.S.C. § 1404(a).

NOW, THEREFORE, in consideration of the terms(s) Borrower conveys and warrants to Trustee the following described property situated in the State of Washington, County(s) of _____, of which said described real property is not used principally for agricultural or farming purposes:

See attached Legal Description.



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together with all rights, interests, easements, hereditaments and appurtenances thereto belonging, the rents, issues, and profits thereof and revenues and income therefrom, all improvements and personal property now or later attached thereto or morsorably necessary to the use thereof, including, but not limited to, ranges, refrigerators, clothes washers, clothes dryers, or carpeting purchased or financed in whole or in part with loan funds, all water, water rights, and water stock pertaining thereto, and all payments at any time owing to Borrower by virtue of any sale, lease, transfer, conveyance, or condemnation of any part thereof or interest therein-all of which are herein called "the property";

TO HAVE AND TO HOLD the property unto Trustee, Trustee's successors, grantees and assigns forever;

IN TRUST, NEVERTHELESS, (a) at all times when the note is held by the Government, or in the event the Government should resign this instrument without insurance of the payment of the note, to secure prompt payment of the note and any renewals and extensions thereof and any agreements contained therein, including any provision for the payment of an insurance or other charge, (b) at all times when the note is held by an insured holder, to secure performance of Borrower's agreement herein to indemnify and save harmless the Government against loss under its insurance endorsement by reason of any default by Borrower, and (c) in any event and at all times to secure the prompt payment of all advances and expenditures made by the Government, with interest, as hereinafter described, and the performance of every covenant and agreement of Borrower contained herein or in supplementary agreement, the provisions of which are hereby incorporated herein and made a part hereof.

BORROWER for Borrower's self, Borrower's heirs, executors, administrators, successors and assigns **WARRANTS** the property and the title thereto unto Trustee for the benefit of the Government against all lawful claims and demands whatsoever, except any liens, encumbrances, easements, reservations, or conveyances specified hereinabove, and **COVENANTS AND AGREES** as follows:

- (1) To pay promptly when due any indebtedness to the Government hereby secured and to indemnify and save harmless the Government against any loss under its insurance of payment of the note by reason of any default by Borrower. At all times when the note is held by an insured holder, Borrower shall continue to make payments on the note to the Government, as collection agent for the holder.
- (2) To pay to the Government such fees and other charges as may now or hereafter be required by regulations of the Farmers Home Administration.
- (3) If required by the Government, to make additional monthly payments of 1/12 of the estimated annual taxes, assessments, insurance premiums and other charges upon the mortgaged premises.
- (4) Whether or not the note is insured by the Government, the Government may at any time pay any other amounts required herein to be paid by Borrower and not paid by Borrower when due, as well as any costs and expenses for the protection, preservation, or enforcement of this lien, as advances for the account of Borrower. All such advances shall bear interest at the rate borne by the note which has the highest interest rate.
- (5) All advances by the Government as described in this instrument, with interest, shall be immediately due and payable by Borrower to the Government without demand at the place designated in the face of note and shall be secured hereby. No such advance by the Government shall relieve Borrower from certain of Borrower's covenants to pay. Such advances, with interest, shall be regard from the first available collections received from Borrower. Otherwise, any payment made by Borrower may be applied on the note or any indebtedness to the Government secured hereby, in any order the Government determines.
- (6) To use the loan evidenced by the note solely for purpose authorized by the Government.
- (7) To pay when due all taxes, liens, judgments, encumbrances, and assessments lawfully attaching to or assessed against the property, including all charges and assessments in connection with water, water rights, and water stock pertaining to or reasonably necessary to the use of the real property described above, and promptly deliver to the Government without demand receipts evidencing such payments.

(c) Insure the property leased as required by and under insurance policies approved by the Government and, at its option, make such payment to the Government.

(d) Pay all taxes, license fees, rents or other amounts in good repair and make repair required by the Government; operate the property in a manner which reasonably insures compliance with such farm conservation practices and farm and home management plans as may be required by law; and do all such other acts as may be required by the Government to insure the property, or cause or permit waste, lessening or damage to the security granted hereby, or, without the written consent of the Government, cut, remove, or lease any timber growing on the property, or other minerals except as may be necessary for ordinary domestic purposes.

(e) Comply with all laws, ordinances, and regulations affecting the property.

(f) To pay or reimburse the Government for expenses reasonably necessary or incidental to the protection of the lessor's security interest due to the enforcement of or the compliance with the provisions hereof and of the note and any subsequently executed (whether before or after default), including but not limited to costs of evidence of title to and ownership of the property, costs of recording documents and other instruments, attorney's fees, trustee's fees, court costs, and expenses of advertising, selling, and conveying the property.

(g) Hold the property and any portion thereof or interest therein shall be leased, assigned, sold, transferred, or otherwise disposed of or otherwise, without the written consent of the Government. The Government shall have the sole and exclusive right of beneficiality hereunder, including but not limited to the power to grant, consent to, partial release, subordination, and extinguishment, and no insured holder shall have any right, title or interest in or to the lessor or any interest herein.

(h) At all reasonable times the Government and its agents may inspect the property to ascertain whether the covenants and agreements contained herein or in any supplementary agreement are being performed.

(i) The Government may (a) extend or defer the maturity of, and require additional or different payments on, the lessor's interest by the note or any indebtedness to the Government secured by this instrument, (b) release any party who is liable under the note or for the debt from liability to the Government, (c) release portions of the property and subordinate liens under the lessor's or for the debt from liability to the Government, (d) release portions of the property and subordinate liens to lessors, and (e) waive any other of its rights under this instrument. Any and all this can and will be done without affecting the lessor's or the priority of this instrument or Borrower's or any other party's liability to the Government for payment of the sum or debt secured by this instrument unless the Government gives notice to the Borrower. HOWEVER, any forbearance by the Government whether once or often in exercising any right or remedy under this instrument, or otherwise affected by applicable law, shall not be a waiver of or preclude the exercise of any such right as remedy.

(j) If at any time it shall appear to the Government that the Borrower may be able to obtain a loan from a lending institution, a Federal land bank, or other reasonable source, or a private credit source, at reasonable rates, and on terms and bases for similar purposes and periods of time, however will upon the Government's request, apply for and obtain from the sufficient amount to pay the note and any indebtedness secured hereby and to pay the lessor, necessary to accomplish a re-lending, lending agency, connection with the lessor.

(k) Default judgment shall issue in default of any other real estate, or under any other instrument, or under any other security instrument held or issued by the Government and executed or assumed by Borrower, and delivered to the lessor, or such other security interest, which constitutes all held hereunder.

(l) SHOULD DEFAULT occur in the payment of, or charge on, any obligation in this instrument or secured by this instrument, or should the note mature, Borrower, or his/her/its assigns, shall be declared in default of any and all of the obligations contained in this instrument, and a judgment shall be made in the amount of the principal and interest accrued, and all expenses, with interest thereon, plus (a) failure to make the entire amount unpaid under the note and any indebtedness to the lessor unpaid hereby, and (b) interest immediately due and payable. Or, for the account of Borrower, and any other person or persons he may be or become, or and take possession or operate or treat the property, or upon termination by it of the existence of this instrument, without other notice and without cause of holding or loss application, having repossessed the property, with the usual powers of replevin in the case of any judgment and cause thereof to be satisfied, the lessor, or agent and/or the property, in accordance with law.

(m) WAIVER. THE BORROWER ACKNOWLEDGE AND AGREES THAT IF BORROWER DEFAULTS A NON-JUDICIAL FORECLOSURE OF THE PROPERTY MAY BE CONDUCTED WITHOUT A HEARING OF ANY KIND. THE BORROWER HEREBY WAIVES ANY RIGHTS BORROWER MAY HAVE TO ANY SUCH HEARING. NEVERTHELESS, THE REGULATIONS OF THE FARMERS HOME ADMINISTRATION IN EFFECT AT THE TIME SUCH FORECLOSURE IS STARTED MAY PROVIDE FOR A HEARING AND THE GOVERNMENT WILL FOLLOW THESE REGULATIONS.

(n) As the request of the Government, Trustee may foreclose this instrument, or an advertisement and sale of the property as provided by law, for cash or secured credit, at the option of the Government, and at such sale the Government and its agents may bid and purchase as a bidder. Trustee, at Trustee's option may conduct such sale without being personally present, through Trustee's delegate authorized by Trustee for such purpose orally or in writing and Trustee's execution of a conveyance of the property or any part thereof to any purchaser at foreclosure sale shall be conclusive evidence that the sale was conducted by Trustee personally or through Trustee's delegate duly authorized in accordance herewith.

(o) The proceeds of foreclosure sale shall be applied in the following order to the payment of: (1) costs and expenses incident to enforcing or complying with the provisions hereof, (2) any prior loan required by law or a competent court to be so paid, (3) the debt evidenced by the note and all indebtedness to the Government secured hereby, (4) inferior liens of record required by law or a competent court to be so paid, (5) at the Government's option, any other indebtedness of Borrower secured by or otherwise held by the Government, and (6) any balance to Borrower. In case the Government is the successful bidder at foreclosure or other sale of all or any part of the property, the Government may pay its share of the indebtedness by canceling such proceed, (7) any debts of Borrower owing to or incurred by the Government, in the order indebtedness arises.

(21) All powers and agencies granted in this instrument are coupled with an interest and are irrevocable by death or otherwise; and the rights and remedies provided in this instrument are cumulative to remedies provided by law.

(22) Borrower agrees that the Government will not be bound by any present or future State laws, (a) providing for valuation, appraisal, homestead or exemption of the property, (b) prohibiting maintenance of an action for a deficiency judgment or limiting the amount thereof or the time within which such action may be brought, (c) prescribing any other statute of limitations, (d) allowing any right of redemption or possession following any foreclosure sale, or (e) limiting the conditions which the Government may by regulation impose, including the interest rate it may charge, as a condition of approving a transfer of the property to a new Borrower. Borrower expressly waives the benefit of any such State law. Borrower hereby relinquishes, waives, and conveys all rights, inchoate or consummated, of descent, dower, and curtesy.

(23) If any part of the loan for which this instrument is given shall be used to finance the purchase, construction or repair of property to be used as an owner-occupied dwelling (herein called "the dwelling") and if Borrower intends to sell or rent the dwelling and has obtained the Government's consent to do so (a) neither Borrower nor anyone authorized to act for Borrower will after receipt of a bona fide offer, refuse to negotiate for the sale or rental of the dwelling or will otherwise make unavailable or deny the dwelling to anyone because of race, color, religion, sex or national origin, and (b) Borrower recognises as illegal and hereby disclaims, and will not comply with or attempt to enforce any restrictive covenants on the dwelling relating to race, color, religion, sex or national origin.

(24) This instrument shall be subject to the present regulations of the Farmers Home Administration, and to its future regulations not inconsistent with the express provisions hereof.

(25) Notices given hereunder shall be sent by certified mail, unless otherwise required by law, addressed, unless and until some other address is designated in a notice so given, in the case of the Government to Farmers Home Administration, United States Department of Agriculture, Wenatchee, Washington 98801, and in the case of Borrower to Borrower at the address shown in the Farmers Home Administration Finkaco Office records (which normally will be the same as the post office address shown above).

(26) Upon full and final payment of all indebtedness hereby secured and the performance and discharge of each and every condition, agreement and obligation, contingent or otherwise, contained herein or secured hereby, the Government shall request trustee to execute and deliver to Borrower at Borrower's above post office address a deed of reconveyance of the property within 60 days after written demand by Borrower, and Borrower hereby waives the benefits of all laws requiring earlier execution or delivery of such deed of reconveyance.

(27) If any provision of this instrument or application thereof to any person or circumstances is held invalid, such invalidity will not affect other provisions or applications of the instrument which can be given effect without the invalid provision or application, and to that end the provisions hereof are declared to be severable.

WITNESS the hand(s) of Borrower this 9th day of April 1980.

George M. Gardner
George M. Gardner

Georgene M. Gardner
Georgene M. Gardner

STATE OF WASHINGTON

COUNTY OF Skamania

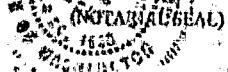
} ss: ACKNOWLEDGMENT

In the day personally appeared before me the within-named George M. Gardner and Georgene M. Gardner, husband and wife, to me known to be the individual(s) described and who executed the within and foregoing instrument and acknowledged that they signed the same as their voluntary act and deed, for the uses and purposes therein mentioned.

Witnessed and sealed and official seal this 9th day of April 1980.

Notary Public in and for the State of Washington,

Residing at Stevenson



30577

BOOK 37 PAGE 11

DESCRIPTION:
SK-11281

BEGGING AT A POINT ON THE NORTH BOUNDARY OF OLD VICTORIAN CASCADES ROAD, NOW CALLED RIVERSIDE DRIVE, SAID POINT BEING 1033.8 FEET SOUTH AND 278.2 FEET WEST OF THE NORTHEAST CORNER OF SECTION 12, TOWNSHIP 1 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN; THENCE WEST A DISTANCE OF 365.45 FEET, THENCE SOUTH A DISTANCE OF 263.44 FEET TO THE CENTER OF DUVAL CREEK; THENCE FOLLOWING THE CENTER OF DUVAL CREEK NORTH 72° 40' EAST 95.75 FEET; THENCE SOUTH 83° 10' EAST 97.4 FEET; THENCE SOUTH 41° 40' EAST 65.6 FEET; THENCE SOUTH 16° 58' WEST 124.82 FEET TO A POINT ON THE NORTH BOUNDARY LINE OF THE RIGHT-OF-WAY; THENCE ALONG SAID RIGHT-OF-WAY NORTH 43° 0' EAST ON THE BOUNDARY LINE OF THE AFOREDENTIONED RIVERSIDE DRIVE THENCE ALONG SAID BOUNDARY NORTH 9° 05' EAST 36.67 FEET; THENCE NORTH 39° 22' E. L. 125.84 FT. ST. THENCE NORTH 21° 47' EAST 376.97 FEET TO THE POINT OF BEGINNING.

ALSO KNOWN AS LOT 1 OF THE MILL BEARD SHORT PLAT, RECORDED DECEMBER 10, 1972 IN BOOK 2 OF SHORT PLATS, PAGE 106A AND 106B, AUDITOR'S FILE NO. 90038.

DEED OF TRUST
GEORGE W. GARDNER
GEORGE W. GARDNER
56-30-474-568-115
FmHa 427-7 WA (Rev. 6-12-70)

STATE OF OREGON, COUNTY OF Linn

I HEREBY CERTIFY THAT THE SUB

INSTALMENT OF WRITING, FILED IN

*Key to Title Co
of Astoria
At Ruth Appling
57*

WAS MADE AND FILED ON THIS DAY OF *May* 1972, 1972, 174-135

RECORDED IN THE OFFICE OF THE CLERK OF THE

CITY OF ASTORIA, OREGON, MARINA

*J.P. Todd
City Clerk
A. Belcher*