

90577

57 PAGE 134

USDA-FmHA
Form FmHA 427-7 WA
(Rev. 6-12-79)

Edition 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 W. Gardner and Georgene R. 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 #19 Federal Office Building, 301 Yakima Street, Wenatchee, Washington 98801, 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 deemed as follows:

Date of Instrument	Principal Amount	Real Estate Interest	Due Date of Final 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 _____ % for farm ownership or operating loans insured by this instrument, then the rate may be changed as provided in the note.)

Trustee covenants a loan to Borrower and the Government, at any time, may assign the note and insure the payment thereof pursuant to Title V of the Housing Act of 1949, or any other statute administered 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 represents the acceptance of any interest credit or subsidy which may be granted to the Borrower by the Government pursuant to 42 U.S.C. § 1439a.

NOW, THEREFORE, in consideration of the loan(s) Borrower conveys and warrants to Trustee the following described

property situated in the State of Washington, County (ies) of _____
which said described real property is not used principally for agricultural or farming purposes.

/ See attached Legal description.



FmHA 427-7 WA (Rev. 4-12-79)

together with all rights, interests, easements, hereditaments and appurtenances thereunto belonging, the rents, issues, and profits thereof and revenues and income therefrom, all improvements and personal property now or later attached thereto or reasonably 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 assign 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 preservation, protection, 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 on the front note and shall be secured hereby. No such advance by the Government shall relieve Borrower from either of Borrower's covenant to pay. Such advances, with interest, shall be repaid 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.

(10) To lease the property insured as required by and under insurance policies approved by the Government and, at its option, to transfer or to sublease to the Government.

(11) To cause the property to be repaired or make repairs required by the Government; operate the property in a proper and prudent manner; comply with such farm conservation practices and farm and home management plans as the Government at any time may prescribe; and not to abandon the property, or cause or permit waste, lessening or impairment of the security covered hereby, or without the written consent of the Government, cut, remove, or lease any part of the land, or the minerals or other minerals except as may be necessary for ordinary domestic purposes.

(12) To comply with all laws, ordinances, and regulations affecting the property.

(13) To pay or reimburse the Government for expenses reasonably necessary or incidental to the protection of the lien and security hereof and to the enforcement of or the compliance with the provisions hereof and of this note and any supplementary agreement (whether before or after default), including but not limited to costs of evidence of title to and survey of the property, costs of recording this and other instruments, attorney's fees, trustee's fees, costs of title, and expenses of advertising, selling, and conveying the property.

(14) Neither the property nor any portion thereof or interest therein shall be leased, assigned, sold, transferred, or encumbered, voluntarily or otherwise, without the written consent of the Government. The Government shall have the sole and exclusive right as beneficiary hereunder, including but not limited to the power to grant consents, partial release, subordination, and satisfaction, and no insured holder shall have any right, title or interest in or to the lien or any benefits hereof.

(15) 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.

(16) The Government may (a) extend or defer the maturity of, and renew and rechedule the payments on, the debt secured 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 its lien; and (d) waive any other of its rights under this instrument. Any and all this can and will be done without affecting the lien or the priority of this instrument or Borrower's or any other party's liability to the Government for payment of the note or debt secured by this instrument unless the Government acts otherwise in writing. HOWEVER, any forbearance by the Government—whether once or often—in exercising any right or remedy under this instrument, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

(17) If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a non-Federal credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms not less favorable than those and periods of time, Borrower will, upon the Government's request, apply for and secure such loan in sufficient amount to pay the note and any indebtedness secured hereby and to pay for any costs necessary to a successful loan in a cooperative lending agency in connection with such loan.

(18) Default hereunder shall constitute default under any other real estate, or under any personal property or other security instrument held or owned by the Government and executed or assumed by Borrower, and default under any such other security instrument shall constitute default hereunder.

(19) SHOULD DEFAULT occur in the performance of a charge or any obligation in this instrument or secured by this instrument, or should the parties named as Borrower die or be declared incompetent, or should any one of the parties named as Borrower be declared a bankrupt or an insolvent or make an assignment for the benefit of creditors, the Government, at its option, with or without notice, may: (a) declare the entire amount unpaid under the note and any indebtedness to the Government hereby secured immediately due and payable; (b) for the account of Borrower incur and pay reasonable expenses for repair or maintenance of and take possession of, operate or rent the property; (c) upon application by a duly qualified person of this instrument, without other evidence and without notice of hearing of such application, cause a receiver appointed for the property, with the usual power of receivers in like cases and (d) authorize and request Trustee to foreclose this instrument and sell the property in, provided by law.

(20) WAIVER. THE BORROWER ACKNOWLEDGES AND AGREES THAT IF BORROWER DEFAULTS A NONJUDICIAL 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 THE SAME REGULATIONS.

(21) At the request of the Government, Trustee may foreclose this instrument, by 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 stranger. 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 in any purchase 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.

(22) The proceeds of foreclosure sale shall be applied in the following order to the payment of: (a) costs and expenses incurred in enforcing or complying with the provisions hereof; (b) any prior liens required by law or a competent court to be so paid; (c) the debt evidenced by the note and all indebtedness to the Government secured hereby; (d) inferior liens of lenders required by law or a competent court to be so paid; (e) at the Government's option, any other indebtedness of Borrower owing to or secured by the Government; and (f) 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 purchase price by deducting such amount from any debts of Borrower owing to or insured by the Government, in the order mentioned above.

(21) All powers and agencies granted in this instrument are coupled with an interest and are irrevocable by death of either; 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, foreclosure 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 consummate, 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 recognizes 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 provision 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 Finance 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 W. Gardner
Georgene M. Gardner
 ss: ACKNOWLEDGMENT

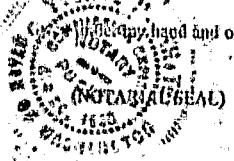
STATE OF WASHINGTON

COUNTY OF Skamania

In this day personally appeared before me the within-named George W. 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

and they executed the within and foregoing instrument and acknowledged that they signed the same as their



Notary Public in and for the State of Washington,

Residing at Stevenson

00577

BOOK 57 PAGE 126

DESCRIPTION:
SK-11881

BEGINNING AT A POINT ON THE NORTH BOUNDARY OF OLD VANCOUVER CASCADES ROAD,
NOW CALLED RIVERSIDE DRIVE, SAID POINT BEING 1033.6 FEET SOUTH AND 2197.1
FEET WEST OF THE NORTHEAST CORNER OF SECTION 11, TOWNSHIP 1 NORTH, R. 2 E 5
EAST OF THE WILLAMETTE MERIDIAN; THENCE WEST A DISTANCE OF 365.95 FEET
THENCE SOUTH A DISTANCE OF 263.48 FEET TO THE CENTER OF DUVAL CREEK; THENCE
FOLLOWING THE CENTER OF DUVAL CREEK NORTH 72° 40' EAST 95.35 FEET; THENCE
SOUTH 83° 10' EAST 97.4 FEET; THENCE SOUTH 41° 40' EAST 85.6 FEET; THENCE
SOUTH 16° 58' WEST 124.02 FEET TO A POINT ON THE NORTH BOUNDARY OF THE
RIGHT-OF-WAY; THENCE ALONG SAID RIGHT-OF-WAY NORTH 43° 0' EAST 08.7 FEET
TO THE NORTH BOUNDARY OF THE AFOREMENTIONED RIVERSIDE DRIVE; THENCE ALONG SAID
BOUNDARY NORTH 5° 05' EAST 36.67 FEET; THENCE NORTH 5° 22' EAST 15.84 FEET;
THENCE NORTH 21° 47' EAST 176.97 FEET TO THE POINT OF BEGINNING.

ALSO KNOWN AS LOT 1 OF THE BILL BEARD SHORT PLAT, RECORDED DECEMBER 10, 1972
IN BOOK 2 OF SHORT PLATS, PAGE 146A AND 146B, ADDITION 5 FILE NO. 90048.

DEED OF TRUST
GEORGE W. GARDNER
*TORGENSE M. GARDNER
56-30-474-568-115
FmHa 427-7 WA (Rev. 6-12-79)

4/11/80

REGISTERED
INDEXED - DIS
INDEXED
RECORDED
COMPLETED
MAILED

STATE OF WASHINGTON
COUNTY OF SPOKANE

I HEREBY CERTIFY THAT THE WITHIN
INSTRUMENT OF WRITING, FILED BY
Shirley La Fille Co.
OF *Spokane, Idaho*
ON *April 11, 1980*
WAS RECORDED IN BOOK *57*
OF *134-135*
LOCATED IN THE SPOKANE COUNTY, WASH.
RECORDS AT *Spokane*
BY *B. Balch*