

PREPARED BY AND
AFTER RECORDING MAIL TO:

GREAT WESTERN BANK
P.O. BOX 1900
Northridge, CA 91328

FILED FOR RECORD
SKAMANIA CO. WASH
BY CLARK COUNTY TITLE

MAY 26 11 23 AM '95

P. Laury
AUDITOR
GARY H. OLSON

122413

BOOK 150 PAGE 151

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DEED OF TRUST
(ADJUSTABLE INTEREST RATE)

COUNTY CODE: 030
OFFICE NUMBER: 206
LOAN NO.: 1-703308-7

LOAN AMOUNT \$64,000.00

THIS DEED OF TRUST, made this 18th day of May, 1995
SCOTT B. HAGNAS, A SINGLE PERSON

between

herein called "Grantor,"

whose address is 52 HARDER ROAD, WASHOUGAL, WA 98671
CRC OF WASHINGTON, INC., herein called "Trustee," whose address is 9301 Corbin Avenue, Suite 100, Northridge, CA 91324-2498 and
GREAT WESTERN BANK, A FEDERAL SAVINGS BANK
DOING BUSINESS AS SIERRA WESTERN MORTGAGE COMPANY
, herein called "Beneficiary,"

whose address is 9451 CORBIN AVENUE, NORTHRIDGE, CA 91324

WITNESSETH: That Grantor irrevocably grants, transfers, and assigns to Trustee, in trust, with power of sale, that real property, property rights and
interest in SKAMANIA County, Washington, described as:

AS PER LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART
HEREOF KNOWN AS SCHEDULE 'A'.



Reg. Mailed ☒
Indexed, Dir. ☒
Indirect ☒
Filed ☒
Mailed ☒

which has the address of: 52 HARDER ROAD, WASHOUGAL, WA 98671

INCLUDING all fixtures, buildings, structures, improvements, appliances, equipment and appurtenances now or hereafter constructed or placed
thereon, including, but not limited to, all apparatus and equipment, whether affixed to the land or building thereon or not affixed thereto, whether
single units or centrally controlled, used to provide or supply air-cooling, air-conditioning, heat, gas, water, light and power, refrigeration, ventilation,
laundry, clothes drying, dishwashing, garbage disposal or other services, waste vent systems, antennas, pool equipment, window coverings, drapes
and drapery rods, carpeting and floor coverings, awnings, ranges and ovens, water heaters, attached cabinets, pumps, pipes, tanks, fire prevention,
fire extinguishing and communications apparatus, elevators, escalators, partitions, and all replacements and substitutions therefor and all proceeds
thereof, and all of the above items are declared to be and are deemed to be things affixed to and a part of the realty for the purposes of this Deed of
Trust.

TOGETHER WITH all interest which Grantor now has or may hereafter acquire in or to said property and in and to:

- (a) All rents, issues, profits, royalties, tolls, earnings and incomes therefrom and installments of money payable pursuant to any agreement for
sale of said property or any part thereof;
- (b) All easements, rights of way and other appurtenances thereto;
- (c) All shrubs, trees and plants;
- (d) All adjacent lands included in enclosure or occupied by buildings located partly on the above described property;
- (e) All crops growing or to be grown on said property;
- (f) All water and water rights (whether or not appurtenant) and shares of stock pertaining to water or water rights, ownership of which affects
said property;
- (g) All claims, demands or causes of action of any kind, including proceeds of settlement of any such claim, demand or cause of action of any
kind, which Grantor now has or may hereafter acquire, arising out of acquisition or ownership of the property, subject however to the right,
power and authority given to and conferred upon Beneficiary by Paragraph 5 below. Trustee shall have no duty to prosecute any such
claim, demand or cause of action.
- (h) All minerals and mineral rights.

For the purposes of this instrument, including all provisions incorporated by reference herein, all of the foregoing described real property, property
rights and interest shall be referred to as "the property."

THIS DEED OF TRUST SECURES AN ADJUSTABLE RATE NOTE - SEE PARAGRAPH 24.

THIS DEED OF TRUST IS FOR THE PURPOSE OF SECURING THE FOLLOWING:

A. Payment of the Loan Amount above, with interest thereon, according to the terms of a Promissory Note or Notes (herein sometimes referred to
as "the note") of even date herewith, made by Grantor, payable to Beneficiary or order, and any and all modifications and extensions or renewals
thereof (see Paragraph 24);

B. Payment of such additional sums with interest thereon as may be hereafter borrowed from Beneficiary by the then record owner or owners of
the property which are hereby secured and all extensions, modifications and renewals of such additional borrowings;

DEED OF TRUST - PAGE 1

DISTRIBUTION: Original - Recording Copy; White - File Copy; White - Borrower Copy

2-5-19-1312

C. Payment, performance and discharge of every obligation, covenant and agreement of Grantor whether contained or incorporated by reference in this Deed of Trust, or contained in any instrument now or hereafter executed by Grantor in connection with the loan evidenced by the Note, including but not limited to any assignment, construction loan agreement, pledge agreement, security agreement, supplemental agreement, assignment of Lessor's interest in leases, modification agreement or assumption agreement;

D. Payment of all sums of money with interest which may be paid out or advanced by, or may otherwise be due to Trustee or Beneficiary under any provision of this Deed of Trust;

E. At Beneficiary's option, payment with interest thereon of any other present or future indebtedness or obligation of Grantor (or of any successor in interest to Grantor to the property) to Beneficiary, whether created directly or acquired by assignment, whether absolute or contingent, whether due or not, whether otherwise secured or not, or whether existing at the time of the execution of this Deed of Trust or arising thereafter. Exercise of such option shall be evidenced by a notice in writing to Grantor or any successor in interest to Grantor.

To protect the Security of This Deed of Trust, Grantor Agrees:

1. **PRESERVATION OF THE PROPERTY.** Grantor (a) shall keep the property in good condition and repair, (b) shall not remove, demolish or substantially alter any building, structure or improvement thereon, (c) shall complete or restore promptly and in good workmanlike manner any building which may be constructed, damaged or destroyed thereon and will pay when due all claims for labor performed and material furnished therefor, (d) shall comply with the provisions of all insurance policies covering and with all laws and regulations affecting the property or requiring any alterations, repairs or improvements thereon, (e) shall not commit or suffer any waste thereon, (f) shall not commit or suffer any act upon the property in violation of any provision of any insurance policy or law or regulation, (g) shall paint, decorate, cultivate, irrigate, fertilize, fumigate and prune the property, and (h) consistent with the use thereof, do all other acts which the character or use of the property may reasonably require.

2. **INSURANCE.** Grantor shall, at Grantor's expense, provide and maintain in force at all times with respect to the property, fire, flood and other types of insurance as may be required by Beneficiary. All of such insurance policies shall have a loss payable endorsement in favor of Beneficiary and shall be for a term and in form, content, amount, and with such insurance companies, as may be satisfactory to Beneficiary. Such policies shall be delivered to Beneficiary whether upon the making of this Deed of Trust or at a subsequent time during the term of the note. Grantor shall also deliver at such times evidence that the full premium for any such policy has been paid. Beneficiary, at its option, may retain possession of the original policy or may release it to the possession of the Grantor. If the Beneficiary retains possession of such policies, at least thirty (30) days before the expiration of any such insurance policy, a policy or policies renewing, extending or replacing such expiring insurance shall be delivered by Grantor to Beneficiary. If any such insurance policy is not so delivered to Beneficiary or in the event any such insurance policy is cancelled, whether the Beneficiary has in its possession the policies or not, and no reinstatement or replacement policy is received prior to termination of insurance, Beneficiary, without notice to or demand upon Grantor may (but shall not be obligated to) obtain such insurance with such company as Beneficiary may deem satisfactory, and pay the premium therefor, and the amount of any premium so paid shall be charged to and promptly paid by Grantor or, at the option of Beneficiary, may be added to the indebtedness secured hereby.

In the event Beneficiary obtains any such insurance policy, Grantor, for his own benefit and for the protection of this equity interest in the property, hereby requests and authorizes Beneficiary, but without liability on the part of Beneficiary for failure so to do, to obtain such policy for such term and in such form, content and amount and with such insurance companies as may be satisfactory to Beneficiary. Should any policy thus obtained by Beneficiary thereafter be cancelled, Grantor shall pay to Beneficiary any earned premiums on said policy and a reasonable charge for its services in obtaining such policy.

Neither Trustee nor Beneficiary shall be responsible for the collection of any insurance monies or for any insolvency of any insurer or insurance underwriter. The right to any unearned premiums under said insurance policies is hereby assigned and shall pass to the purchaser of the property conveyed at any Trustee's sale held or to the grantee of a deed in lieu of foreclosure if such a conveyance is made. Any part or all of the amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured by this Deed of Trust at such time and in the manner and amount as Beneficiary may determine, or at the option of Beneficiary, without reducing the indebtedness secured hereby, may either be used (i) to replace, restore or reconstruct the property to a condition satisfactory to Beneficiary or be released to Grantor. Any application, use or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. Grantor shall pay Beneficiary inspection fees and other costs resulting from or connected with the casualty loss to which such insurance relates.

3. **LIFE, ACCIDENT OR HEALTH INSURANCE.** If Grantor shall assign or deliver a policy of life, accident or health insurance to Beneficiary as further security hereunder, then if Grantor fails to pay any premium thereon, Beneficiary shall be entitled, but not obligated, to pay any such premium. Any amount so paid shall be charged to and promptly paid by Grantor or, at the option of Beneficiary, may be added to the indebtedness secured hereby.

4. **TAXES AND ENCUMBRANCES.** Grantor shall pay (a) at least twenty (20) days before delinquency, all general and special taxes and assessments now or hereafter affecting the property, including any assessments on appurtenant water stock; (b) when due, all special assessments for public improvements without permitting any improvement bond to issue for any special assessment; (c) on demand of Beneficiary, all encumbrances, charges and liens on the property or any part thereof, which are or may be prior or superior hereto; (d) when due, all fees and charges incidental to ownership, occupancy or beneficial use of the property; and (e) if the property includes a condominium, community apartment or part of a planned development, all payments required of the owner thereof under any declaration of covenants or conditions or restrictions pertaining to such project. Should Grantor fail to make any payment under this Paragraph 4, Beneficiary may, but shall not be obligated to, make such payment and any amount so paid shall be charged to and promptly paid by Grantor or, at the option of Beneficiary, shall be added to the indebtedness

secured hereby, without regard to the validity or legality of such assessments, liens or charges.

5. **CLAIMS, DEMANDS AND ACTIONS.** Grantor shall (a) appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; (b) at the option of Beneficiary, assign to Beneficiary, to the extent of Beneficiary's interest, any claims, demands or causes of action of any kind, including any award, court judgment or proceeds of settlement of any such claim, demand or cause of action of any kind, which Grantor now has or may hereafter acquire arising out of acquisition or ownership of the property. Without limiting the generality of the foregoing, any such claim, demand or cause of action arising out of acquisition or ownership of the property may include (i) any such injury or damage to the property or any structure or improvement situated thereon, or (ii) any claim or cause of action in favor of Grantor which shall have arisen out of the transaction financed in whole or in part by the making of the loan secured hereby, or (iii) any claim or cause of action in favor of Grantor (except for bodily injury) which arises as a result of any negligent or improper construction, installation or repair of the property, including the surface or subsurface thereof, or of any building or structure thereon. Beneficiary may apply, use or release such monies so received by it in the same manner as in Paragraph 2 provided for the proceeds of fire or other insurance.

6. **DEFENDING TRUST.** Notwithstanding the provisions of Paragraph 5, Beneficiary or Trustee may (a) commence and prosecute or appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; (b) pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appear to be prior or superior hereto; and (c) in exercising any such right, incur any liability and expend whatever amounts either deems reasonably necessary, including cost of evidence of title and reasonable attorneys' fees.

7. **PROTECTION OF SECURITY BY BENEFICIARY OR TRUSTEE.** Should Grantor fail to make any payment or do any act provided in this Deed of Trust, then Beneficiary or Trustee, but without obligation so to do, and without notice to or demand upon Grantor, and without releasing Grantor from any obligation hereof, may make any such payment or do any such act in such manner and to such extent as either deems necessary to protect the security hereof. Beneficiary or Trustee is authorized to enter upon the property at any time for such purpose.

8. **REIMBURSEMENT.** Grantor shall pay immediately upon demand all costs, fees or expenses incurred and sums expended or advanced under the terms of this Deed of Trust by Beneficiary or Trustee, with interest thereon at a rate equal to the rate provided for in the Note secured hereby, and the obligation of Trustee to pay such sums and interest as aforesaid shall be secured hereby. If Beneficiary or Trustee shall make such payment or expend such sums, Grantor shall pay a service charge in an amount equal to ten per cent (10%) of the payment made or the sum expended. Grantor acknowledges that it would be extremely difficult or impracticable to determine Beneficiary's or Trustee's actual damages resulting from any such advance and that this service charge is a reasonable estimate of those charges.

9. **LEASEHOLD ESTATES.** If the security for this Deed of Trust is a leasehold estate, Grantor shall not modify or terminate the lease or leases creating the leasehold estate, and shall comply with all of the covenants and conditions required of the Lessee or his successor in interest to be performed under the lease or leases creating said leasehold estate, including, but not limited to, paying when due rent and other charges imposed upon such Lessee.

10. **ESCROW (IMPOUND) ACCOUNT.** Grantor shall pay to Beneficiary, if Beneficiary shall so demand, in addition to any other payment required hereunder, monthly installments for the purpose of creating and maintaining a fund to provide payment when due of any taxes, encumbrances, assessments, leasehold payments relating to the property, premiums for any policies of insurance insuring the property, the Grantor or the loan, more specifically referred to in Paragraphs 2, 3, 4, and 9. Grantor shall deliver promptly to Beneficiary all bills and notices thereof. Said installments shall be in such amounts as Beneficiary shall estimate from time to time to be necessary to provide sufficient monies in said fund to pay such taxes, encumbrances, assessments, leasehold payments and premiums when they become due and shall be payable concurrently with the installment under the note. If the amounts paid to Beneficiary under the provisions of this paragraph are insufficient to pay such taxes, assessments, leasehold payments and premiums as they become due, Grantor shall pay to Beneficiary promptly upon demand the amount of the deficiency.

In the event of default of any obligation hereby secured, then any funds in the possession of Beneficiary under the provisions of this paragraph may, at the option of Beneficiary, be applied upon any indebtedness secured hereby.

11. **FINANCIAL STATEMENTS.** Within thirty (30) days after written demand by Beneficiary (but not more frequently than semi-annually), Grantor shall deliver to Beneficiary verified financial statements, prepared in accordance with acceptable accounting practices, for such annual or other period as Beneficiary may designate. Such financial statements shall include balance sheets, operating statements, and statements of sources and application of funds. In addition, Grantor shall deliver to Beneficiary on demand, copies of all leases, agreements,

vouchers, receipts and other documents supporting any of the items shown in such statements. Grantor shall keep and maintain a full and accurate set of books and records showing all the matters above specified, and shall permit Beneficiary at any time to inspect and audit all Grantor's books of account, records, and papers relating to any of the foregoing matters. In the event any such audit is caused to be made by Beneficiary by reason of the failure of Grantor to comply with any of the foregoing provisions, then Grantor shall pay to Beneficiary upon demand, all expenses incurred by Beneficiary in connection with such audit.

None of the provisions of this Paragraph 11 shall be applicable so long as the property is residential in nature and designed for occupancy by less than five (5) families.

12. DAMAGE TO OR CONDEMNATION OF PROPERTY. Any award of damages or compensation for injury to, or in connection with any condemnation for public use of the property or any part thereof, or any proceeds of any settlement with respect to a condemnation whether or not eminent domain proceedings have been instituted, shall be and is hereby assigned by Grantor and shall be paid to Beneficiary, who may apply, use or release the amount thereof in the same manner as in Paragraph 2 provided for the proceeds of fire or other insurance.

13. BENEFICIARY'S CONSENT REQUIRED. Beneficiary may declare all sums secured hereby immediately due and payable within 30 days after such declaration except as expressly limited by law, if Grantor, without Beneficiary's prior written consent: (a) sells, conveys, contracts to sell, alienates or further encumbers all or any part of the property; or (b) leases all or any part of the property for a term, together with all exercisable options, of 5 years or more; or (c) suffers the title or any interest in the secured property to be divested, whether voluntarily or involuntarily; or (d) changes or permits to be changed the character or use of the property; or (e) is a partnership and any of the general partners' interests are transferred or assigned, whether voluntarily or involuntarily, if it is a corporation with fewer than 100 stockholders at the date of the execution of this Deed of Trust and more than 10% of its capital stock is sold, transferred or assigned during a 12-month period.

14. ASSUMPTION. Grantor may transfer the property under the following conditions: (a) The new borrower (Transferee) must apply with the Beneficiary to assume the loan secured hereby by following the Beneficiary's application procedure. (b) Beneficiary must approve Transferee's creditworthiness in writing using the Beneficiary's standards existing on the date the Transferee applies to assume the loan. (c) Transferee must agree to assume all the loan obligations by signing the Beneficiary's assumption papers. (d) Transferee must pay an assumption fee of one percent (1%) of the principal owed at the time of the assumption, unless limited by applicable state law. Beneficiary reserves the right to adjust the maximum interest rate, minimum interest rate or the rate differential applicable to the loan on the date of such sale or transfer or the date the loan obligation is assumed.

15. NO WAIVER. Trustee or Beneficiary, by accepting payment of any sum secured hereby after its due date, or by making payment or taking any action which, under the provisions hereof either Trustee or Beneficiary is entitled but not obligated to make or take, or by forbearing from enforcing any of its rights, shall not be deemed to have waived its right to require payment from or action by Grantor and to declare a default for Grantor's failure to do so.

In the event either Trustee or Beneficiary should expressly waive any rights under any provisions of this Deed of Trust, such waiver shall not be deemed a waiver of any rights Trustee or Beneficiary may have subsequently to require payment from or action by Grantor and to declare a default for Grantor's failure to do so.

16. ASSIGNMENT. Grantor hereby absolutely and unconditionally assigns and transfers to Beneficiary during the continuance of these trusts, all rents, issues, profits, royalties, tolls, earnings and income of the property including those arising by reason of any oil, gas or mineral lease thereof, and all installments of money payable pursuant to any contract of sale or lease relating to the property or any part thereof (hereinafter referred to collectively as "income"), together with the right, power and authority to collect and retain all such income as it becomes due and payable. All income received by Beneficiary through the exercise of the foregoing assignment, less all expenses, (including reasonable attorneys' fees) incurred by Beneficiary in collecting such income shall be applied by Beneficiary on any indebtedness secured by this Deed of Trust at such time and in the manner and amount as Beneficiary may determine. Without limiting the generality of the foregoing, such application may include payment of periodic installments of principal and interest, or reduction of the principal balance or reimbursement to Beneficiary as provided in Paragraph 8. The foregoing assignment is intended as an assignment to take effect only upon a default by Grantor in any of Grantor's obligations under this Deed of Trust, and Grantor accordingly reserves the right, prior to any such default, to collect and retain all such income as it becomes due and payable.

17. DEFAULT BY GRANTOR. Upon default by Grantor in payment of any indebtedness secured, or in the performance of any obligation secured hereby, Beneficiary may, without notice and irrespective of whether notice of default has been delivered to Trustee and without regard to the adequacy of the security for the indebtedness secured hereby, either personally or by attorney or agent, without bringing any action or proceeding, without entering into possession of the property, or by receiver to be appointed by a court: (a) enter into possession and hold, occupy, possess and enjoy the property; (b) make, cancel, enforce, modify or terminate leases; (c) obtain and eject tenants; (d) set or modify rents; (e) take, receive and collect all or any part of the rents, issues, profits, royalties, tolls, earnings, income and installments (hereinafter referred to collectively as "income") as it becomes due and payable. After paying such costs of maintenance and operation of the property as it in its judgment may deem proper, Beneficiary may apply the balance upon the entire indebtedness then secured hereby. The acceptance of such income shall not constitute a waiver of any other right which Trustee or Beneficiary may have under this Deed of Trust or

under the laws of Washington. The receipt and application by Beneficiary of such income pursuant hereto after execution and delivery of notice of default or during the pendency of a Trustee's sale proceeding hereunder shall not cure any breach or default, nor affect said sale proceeding or any sale made pursuant thereto, but such income, less all costs of operation and maintenance, when received by Beneficiary, shall be applied in reduction of the entire indebtedness from time to time secured hereby. Grantor shall not in any manner obstruct or interfere with any of Beneficiary's rights under this Paragraph 17. In the event Beneficiary acts under the provisions of this Paragraph 17, Grantor shall pay a service charge in an amount equal to five percent (5%) of all income collected by Beneficiary. Grantor acknowledges that it would be extremely difficult or impracticable to determine Beneficiary's actual costs of collecting the income and that this service charge is a reasonable estimate of those costs.

18. TRUSTEE AUTHORIZED. Upon written request of Beneficiary and presentation of this Deed of Trust and the Note secured hereby for endorsement, and without affecting the liability of any person for payment of the indebtedness secured hereby, Trustee may (a) reconvey any part of the property; (b) execute the title sheet of any map, plat or record of survey thereof; (c) join in granting any easement thereon; or (d) join in any agreement modifying the terms hereof or subordinating the lien or charge hereof. Grantor shall pay to Beneficiary and Trustee a reasonable service charge for any such action.

19. RECONVEYANCE. Upon written request of Beneficiary and upon surrender of this Deed of Trust and the Note secured hereby to Trustee for retention, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truth thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto." Five (5) years after the date of such reconveyance, Trustee may destroy the Deed of Trust and Note, without liability.

Notwithstanding anything set forth herein, Trustee may, in its discretion, deliver said Note or Deed of Trust or both to the person entitled thereto.

20. FEES. Grantor shall pay to Beneficiary the maximum amount as may from time to time be permitted by law for furnishing in connection with the obligations secured hereby each statement pursuant to any statute at the time then in force. Additionally, Grantor shall pay Beneficiary's and Trustee's fees, charges and expenses for any other statement, information or services furnished by Beneficiary or Trustee in connection with the obligations secured hereby. Said services may include, but shall not be limited to, the proceeding by Beneficiary or Trustee, or both, of assumptions, substitutions, modifications, extensions, renewals, subordinations, rescissions, changes of owner, recordation of map, plat or record of survey, grants of easements, and full and partial reconveyances, and the obtaining by Beneficiary of any policies of insurance pursuant to any of the provisions contained in this Deed of Trust.

21. SALE BY TRUSTEE. Upon default by Grantor in payment of any indebtedness, or performance of any obligation secured by this Deed of Trust, Beneficiary, in addition to any other remedy available to Beneficiary, may invoke the power of sale granted in this Deed of Trust by delivering to Trustee a written notice of default. After the lapse of such time as may be required by law and after giving all such notices as may be required by law, Trustee, without demand on Grantor, may sell the property, either as a whole or in separate parcels, and in such order as it may determine by public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale, or for the equivalent of cash, as so determined by Trustee in its sole discretion. If the indebtedness secured hereunder is additionally secured by real property which is not subject to this Deed of Trust, Trustee may sell any property so given as security for Grantor's obligation, which it is authorized to sell, either in whole or in separate parcels and in such order as it may determine.

Trustee may postpone sale of all or any portion of the property by public announcement at the time and place fixed for such sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Following sale, Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recital in such deed of any matters of fact shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value. Any person, except Trustee, may purchase at such sale. After deducting all costs, fees and expenses of Trustee and of this trust, including cost of evidence of title in connection with the sale and reasonable attorneys' fees, Trustee shall apply the proceeds of sale to payment, first, of all sums expended under the terms of this Deed of Trust, not then repaid, with accrued interest at the rate specified in the note secured by this Deed of Trust, and then of all other sums secured by this Deed of Trust, and if there be any proceeds remaining, less the clerk's filing fee, shall be deposited together with a copy of the recorded notice of sale with the clerk of the Superior Court of the county in which the sale took place.

22. WAIVER OF STATUTE OF LIMITATIONS. Grantor hereby waives, to the fullest extent permissible by law, the statute of limitations as a defense to any demand or obligation secured by this Deed of Trust.

23. SUBSTITUTION OF TRUSTEE. Beneficiary may nominate in writing a successor Trustee upon the resignation, incapacity, disability, or death of the Trustee. The successor Trustee shall, without conveyance, succeed to all the title, estate, rights, powers and duties of the predecessor Trustee.

24. ADJUSTABLE MORTGAGE LOAN. The note secured by this Deed of Trust contains provisions which may result in increases in the interest rate, in the monthly installments, and in the unpaid principal balance. Reference is hereby made to the Promissory Note for the specific provisions relating to such increases.

25. USE OF PROPERTY. The Property is not used principally for agricultural or farming purposes.

26. HAZARDOUS SUBSTANCES. Grantor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Grantor shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Grantor shall promptly give Beneficiary written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Grantor has actual knowledge. If Grantor learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Grantor shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this Paragraph 26, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this Paragraph 26, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

27. OCCUPANCY AGREEMENT. If Grantor was required to execute an Occupancy Agreement as a condition for obtaining the loan secured by this Security Instrument, the terms of the Occupancy Agreement, including the provisions which make a violation of its terms an event of default under this Security Instrument, are incorporated herein by this reference.

The undersigned Grantor(s) request(s) that a copy of any notice required hereunder be mailed to each Grantor named on the face page hereof, at the address set forth thereon.

NOTICE TO BORROWER: THIS DOCUMENT CONTAINS PROVISIONS FOR AN ADJUSTABLE INTEREST RATE AND CONTAINS PROVISIONS WHICH MAY REQUIRE A BALLOON PAYMENT AT MATURITY.

Signature of Grantor

Scott B. Hagnas
SCOTT B. HAGNAS

STATE OF WASHINGTON,

Clark County ss:

On this *23rd* day of *May* 19*95*, before me the undersigned, a Notary Public, in and for the State of Washington, duly commissioned and sworn, personally appeared

known to me to be the individual(s) *Scott B. Hagnas* described in and who executed the foregoing instrument, and acknowledged to me that *he* signed and sealed the said instrument as *his* free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal affixed the day and year in this certificate above written.

My Commission Expires *10-10-98*

Paul R. Ridsfield
Notary Public in and for the State of Washington residing at:
Ridsfield

Executed by a Corporation or a Partnership, the appropriate form of Acknowledgement must be used.

DEED OF TRUST

 **Sierra Western**
Mortgage Company

ESCROW OR LOAN NO.

TITLE ORDER NO.

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BOOK 150 PAGE 155



LEGAL DESCRIPTION ATTACHMENT

LOAN NUMBER: 1-703308-7



SCHEDULE "A"

A parcel of land located in the Northeast quarter of the Southwest quarter of Section 19, Township 2 North, Range 5 East of the Willamette Meridian, Skamania County, Washington, described as follows:

Lot 2 of the Gibbs Short Plat as recorded in Book 2 of Short Plat on page 142, Skamania County Records.

TOGETHER WITH a 15 foot wide easement for access across Lot 1 as shown on said Short Plat.

ALSO TOGETHER WITH a 60 foot wide easement for access over Harder Road as shown on the above Short Plat leading Easterly to Skye Road.