

FILED FOR RECORD
SKAMANIA CO. WASH
BY Hosuk & Moran Hong

FILE FOR RECORD AT REQUEST OF:

WHEN RECORDED RETURN TO:

Mark F. Ostrer Richard Spight

The Landerholm Law Firm

Box 1006

Vancouver, WA 98006

1101 N.E. Broadway
Portland, Oregon 97232-1231

Jul 21 2 37 PM '95

O. Lowry
AUDITOR
GARY H. OLSON

122859

DEED OF TRUST

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THIS DEED OF TRUST (hereafter called "Deed of Trust") made this 21 day of July, 1995, between CARSON MINERAL HOT SPRINGS, L.L.C., a Washington limited liability company, whose regular mailing address is 6700 SW 105th Avenue, Suite 207, Beaverton, OR 97038; as ("Grantor"); FIRST AMERICAN TITLE COMPANY, as ("Trustee"), whose regular mailing address is 43 Russell Street, Stevenson, WA; and Hosuk & Moran Hong, whose regular mailing address is: 15265 S.W. Emmerich Street as ("Beneficiary"). Husband & Wife Portland, OR 97007

WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property in Skamania County, Washington:

See Attached Exhibit A

which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof.

This Deed of Trust secures the obligations of Beneficiary under the terms of a Promissory Note dated July 21, 1995, in the principal amount of \$100,000.00.

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure or improvement being built or about to be built thereon; to restore promptly any building, structure or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.
2. To pay before delinquent all lawful taxes and assessments upon the property free and clear of all other charges, liens or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

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Signed	<input checked="" type="checkbox"/>
Indexed	<input checked="" type="checkbox"/>
Filed	<input checked="" type="checkbox"/>
Mailed	<input checked="" type="checkbox"/>

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4. To defend any action or proceeding to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

5. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligations secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described. Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken to damages in an eminent domain proceeding, the entire amount of the award to such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare for failure to so pay.

3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto on written request of the Grantor the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto. In addition, Beneficiary shall be entitled to the appointment of a receiver over the property for the collection of rents and profits, and the application of such rents and profits to amounts due under the Promissory Note and this Deed of Trust.

5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements

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of law and of this Deed of Trust, which recital shall be prime facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.

6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

7. In the event of the death, incapacity, disability or resignation of Trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Trustee or beneficiary shall be party unless such action or proceeding is brought by the Trustee.

8. This Deed of Trust applies to and inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

9. The parties hereto acknowledge that Beneficiary may, at any time, without notice to Grantor, endorse, sell or assign its rights under the promissory note secured by this Deed of Trust and its rights under this Deed of Trust to any other organization, institution or individual.

Carson Mineral Hot Springs, L.L.C.

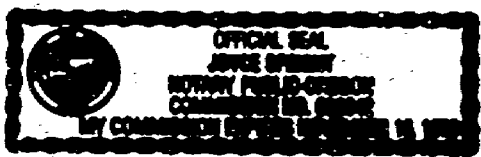
BY: _____

_____, Manager

STATE OF ~~WASHINGTON~~ ^{OREGON})
) ss.
County of Multnomah)

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I certify that I know or have satisfactory evidence that Susan Kim is the person who appeared before me and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Manager of Carson Mineral Hot Springs, L.L.C., to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: July 21, 1995

Joyce Spight
Notary Public, in and for the
State of Washington, residing
at Portland, Oregon

My appointment expires: 11-16-98

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EXHIBIT "A"

Parcel I

The East Half of the Southeast Quarter, the Southeast Quarter of the Northeast Quarter and the Southwest Quarter of the Southeast Quarter, all in Section 21, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington.

EXCEPTING therefrom the following:

1. That portion conveyed to Pacific Northwest Pipeline, by instrument recorded March 20, 1956 in Book 41, Page 280, Skamania County Deed Records.
2. That portion conveyed to the State of Washington by instrument recorded January 4, 1980 in Book 78, Page 294, Skamania County Deed Records. Also recorded November 4, 1988 in Book 111, Page 779, Skamania County Deed Records.
3. Lot 1 of the R.M. Hegewald Short Plat, recorded in Book 3 of Plats, Page 49, Skamania County Records.
4. That portion conveyed to Skamania County Cemetery by instrument recorded August 9, 1984 in Book 83, Page 794, Skamania County Deed Records.

Parcel II

Beginning at the Southwest corner of the Northwest quarter of the Southeast quarter of Section 21, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington; thence North 01° 05' 47" East, along the West line of said Northwest quarter of the Southeast quarter, a distance of 1,249.67 feet to the Northwest corner of said Northwest quarter of the Southeast quarter; thence North 01° 05' 47" East, along the West line of the Southwest quarter of the Northeast quarter of said Section 21, a distance of 450.00 feet; thence South 88° 30' 04" East a distance of 50.00 feet; thence South 01° 05' 47" West a distance of 470.15 feet; thence South 43° 42' 08" East a distance of 296.20 feet; thence South 88° 30' 04" East a distance of 369.36 feet; thence North 01° 30' 32" East a distance of 124.46 feet; thence South 88° 30' 04" East a distance of 700.00 feet to the East line of the Northwest quarter of the Southeast quarter of said Section 21; thence South 01° 30' 32" West, along the East line of said Northwest quarter of the Southeast quarter, a distance of 1,145.23 feet to the Southeast corner of said Northwest quarter of the Southeast quarter; thence North 88° 30' 04" West, along the South line of said Northwest quarter of the Southeast quarter, a distance of 1,320.72 feet to the Point of Beginning.

continued

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EXHIBIT "A"
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ORDER NO. 19063

EXCEPT for that portion lying within the right of way of Shipherd Springs Road.

Containing 32.5 acres, more or less.

Parcel III

The East half of the Southeast quarter of the Northwest quarter of Section 21, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington.

Parcel IV

The East half of the Southwest quarter of Section 21, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington

EXCEPTING therefrom that portion Platted as Hot Springs Subdivision

EXCEPT that portion conveyed to Skamania County by instrument recorded January 28, 1983, in Book 81, Page 935.