

124013

SEP 19729

BOOK 154 PAGE 157

DEED OF TRUST, SECURITY AGREEMENT
AND FIXTURE FILING
(Skamania County)

FILED FOR RECORD
SKAMANIA CO. WASH
BY SKAMANIA CO. TTB

DEC 14 10 26 AM '95

DATED: December 14, 1995

BETWEEN: S.D.S. CO., a Washington general partnership,
Tax ID # 93-0695263

Garry
AUDITOR
GARY H. OLSON
GRANTOR

AND: METROPOLITAN LIFE INSURANCE
COMPANY, a New York corporation

BENEFICIARY

AND: FIRST AMERICAN TITLE INSURANCE COMPANY

TRUSTEE

Grantor is the owner of the real property in Skamania County, Washington described on attached Exhibit A (the "Real Property").

Beneficiary has agreed to lend to Grantor and S.D.S. Lumber Co., a Washington corporation (collectively, "Borrowers") the sum of SEVENTEEN MILLION DOLLARS (\$17,000,000). Such amount will be disbursed and be repayable with interest according to the terms of a promissory note given to evidence such indebtedness, dated the same as this Trust Deed, under which the final payment of principal and interest will be due on December 1, 2005 ("the Note"). Certain additional terms and conditions are set forth in a loan agreement dated the same as this Trust Deed (the "Loan Agreement"). This Trust Deed, the Note, financing statements and the Loan Agreement and any related documents are collectively herein referred to as the "Loan Documents".

The term "Indebtedness" as used in this Trust Deed shall mean (a) the principal and interest payable under the Note, (b) any future amounts that Beneficiary may in its discretion loan to Grantor under a written agreement stating that it is intended to be secured hereby, (c) any amounts expended or advanced by Beneficiary to discharge obligations of Grantor or expenses incurred by Beneficiary or Trustee to enforce obligations of Grantor, as permitted under the Loan Documents, and (d) prepayment premiums as described in the Note.

FOR VALUE RECEIVED, Grantor conveys to Trustee in trust with power of sale the following:

A. The Real Property;

B. All right, title and interest of Grantor in and to (i) all logs and any timber as and when severed (as hereinafter defined) until such a time as such logs and timber have been removed from the Real Property and scaled or otherwise measured in the ordinary course of business; and (ii) all sale agreements providing for

the sale of timber located on the Real Property (the "Timber"). As used herein, "severed" means the conversion of standing timber to "goods" (as defined in the Uniform Commercial Code) or to personal property by harvesting, logging, blowdowns or any other process or event which causes standing timber to cease to be part of the Real Property.

C. The proceeds of any sale of Timber and the profits, rents, license fees, royalties, income and other benefits derived from the Real Property other than inventory and accounts receivable created in the ordinary course of Borrowers' business (collectively the "Proceeds") and the right, power and authority hereinafter given to Grantor to collect and apply the Proceeds;

D. All of Grantor's interest in and to all fixtures now or hereafter attached to or used in the operation of the Real Property;

E. All easements and rights-of-way used in connection with the Real Property, or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto, and all water and water rights relating to the Real Property (whether riparian, appropriative or otherwise and whether or not appurtenant);

F. Any and all improvements now or hereafter constructed thereon (the "Improvements"), and all materials intended for construction, re-construction, alteration and repair of the Improvements, all of which materials shall be deemed to be included within the Real Property immediately upon the delivery thereof to the Real Property;

G. All the estate, interest, right, title or other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Grantor now has or may hereafter acquire in the Property as hereinafter defined, and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof;

H. All minerals or rights to minerals owned by Grantor, whether solid, liquid or gaseous (or a mixture), whether valuable or not, and whether or not known to exist under the Real Property, together with full rights of ingress and egress and use of the surface to the extent reasonably necessary for the purpose of exploring, drilling, mining, developing, producing, storing, removing, treating and transporting said minerals ("Minerals"); and

I. All right, title and interest of Grantor in all sand, gravel, dirt and rock located at, near or under the surface of the Real Property ("Gravel").

Grantor grants to Beneficiary a security interest in the Timber (including severed Timber or logs), Proceeds, Minerals and Gravel.

The personal and real property described in subparagraphs A through I above is referred to as the "Property."

This Trust Deed, the assignment of the Proceeds and security interest are given to secure payment of the Indebtedness and performance of all obligations of Grantor under the Loan Documents and are given and accepted on the following terms and conditions which Grantor will promptly and faithfully observe and perform:

1. Payment and Performance.

Grantor shall pay to Beneficiary promptly when due all amounts, payment of which is secured by this Trust Deed, and shall strictly perform all obligations imposed upon Grantor by this Trust Deed.

2. Possession and Maintenance of the Property.

2.1 Possession. Until in default, Grantor may remain in possession and control of and operate and manage the Property and collect the Proceeds from the Property.

2.2 Duty to Maintain. Grantor shall maintain the Real Property in good condition and promptly perform all repairs and maintenance to roads, bridges, ditches and culverts necessary to minimize erosion and to preserve its value. The Real Property shall be managed according to good forest management practices and all timber harvesting and management operations shall be conducted in accordance with Section 3 hereof.

2.3 Nuisance, Waste. Grantor shall not conduct or permit any nuisance and shall not commit or suffer any strip or waste on the Real Property. Timber harvest in accordance with the Loan Documents shall not constitute waste.

2.4 Removal of Improvements. Grantor shall maintain and shall not demolish or remove any Improvements from the Real Property without the prior written consent of Beneficiary, which consent shall not be unreasonably withheld or delayed. "Improvements" shall mean roads, bridges and culverts necessary to log the Real Property as provided in Section 3 or any structures on the Property.

2.5 Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances and regulations of all governmental authorities applicable to the use or occupancy of the Real Property.

2.6 Duty to Protect. Grantor shall do all other acts, in addition to those set forth in this Trust Deed, that from the character and use of the Real Property are reasonably necessary to protect and preserve the security.

27 Water Rights. All existing water rights benefiting the Real Property shall be maintained by Grantor and applied to beneficial use so as to maintain the validity and priority of such rights.

28 Mineral Operations. Neither Grantor nor any successor in interest to Grantor in the Real property shall drill or extract or enter into any lease for the drilling or extraction of oil, gas, or other hydrocarbon substances on the Real Property without the prior written consent of Beneficiary, which consent shall not be unreasonably withheld or delayed. Grantor may extract or remove rock and gravel for use in constructing roads in the Real Property but any granting of rights in or sale of rock and gravel to third parties for quantities in excess of 20,000 cubic yards shall be done only with the prior written consent of Beneficiary, which consent shall not be unreasonably withheld or delayed.

3. Timber Management & Severance; Substitute Collateral.

3.1 Timber Cutting. Grantor may cut or permit third parties to cut Timber from the Real Property as permitted pursuant to the Loan Documents.

3.2 Release of Collateral. Beneficiary shall have the right to release as collateral all or any portion of the Property without obtaining the consent of Grantor or any third party.

3.3 Partial Release of Collateral. Beneficiary shall release portions of the collateral as provided in paragraph 8(b) of the Loan Agreement between the parties.

4. Taxes and Liens.

4.1 Payment. Grantor shall pay when due all taxes and assessments levied against or on account of the Real Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Real Property free of any liens having priority over or equal to the interest of Beneficiary under this Trust Deed, except for the lien of taxes and assessments not due, and except as otherwise provided in paragraph 4.2.

4.2 Right to Contest. Grantor may withhold payment of any tax, assessment or claim in connection with a good faith dispute over the obligation to pay, so long as Beneficiary's interest in the Real Property is not jeopardized. If the Real Property is subjected to a lien for an amount in excess of \$100,000 (except for liens for taxes and assessments that are not yet due) which is not discharged within 15 days, Grantor shall deposit with Beneficiary cash, a sufficient corporate surety bond or other security satisfactory to Beneficiary in an amount sufficient to discharge the lien plus any interest, costs, attorneys' fees or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest proceedings, Grantor will defend itself and Beneficiary and will name Beneficiary as an additional obligee under

any surety bond, and Grantor shall satisfy any final adverse judgment before enforcement against the Real Property.

4.3 Evidence of Payment. Grantor shall promptly furnish evidence of payment of taxes and assessments to Beneficiary on its demand and shall authorize the appropriate county official to deliver to Beneficiary at any time a written statement of the taxes and assessments against the Real Property.

5. Insurance.

5.1 Maintenance of Insurance. Grantor shall procure and maintain in force such policies of insurance as are currently carried by owners of similar properties in Oregon and Washington and as Beneficiary may reasonably require including, but not limited to, comprehensive liability coverage with limits of not less than \$2,000,000 combined single limit with an indorsement showing Beneficiary as an additional named insured. Certificates evidencing such insurance and providing thirty (30) days' notice to Beneficiary prior to any cancellation or material reduction in coverage shall be provided to Beneficiary at closing and maintained current at all times.

5.2 Logger's Insurance. Grantor shall require that all loggers or other contractors performing operations on the Real Property maintain Logger's Broad Form B liability insurance with third party firefighting cost coverage with Beneficiary named as an additional insured on such policies with limits of \$5,000,000 per occurrence or other limits as may reasonably be required by Lender. If Grantor performs its own logging, Grantor shall procure and maintain such insurance with an endorsement showing Beneficiary as an additional named insured.

5.3 Insurance Carriers. All insurance policies required hereby shall be issued by companies reasonably satisfactory to Beneficiary on forms, terms and conditions and with deductibles reasonably satisfactory to Beneficiary.

6. Warranties of Grantor.

6.1 Title. Grantor warrants that it holds merchantable title to the Real Property in fee simple free of all encumbrances other than those set forth in the attached Exhibit B.

6.2 Defense of Title. Subject to the exceptions in the paragraph above, Grantor warrants and will forever defend the title against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Beneficiary or Trustee under this Trust Deed, Grantor shall defend the action at its expense.

7. Condemnation.

7.1 Application of Net Proceeds. If all or any part of the Real Property is condemned, Beneficiary may elect to require that all or any portion of the net proceeds of the condemnation be applied on the Indebtedness if after the taking the loan balance is greater than fifty percent (50%) of the value of the remaining Real Property as reasonably determined by Lender. The "net proceeds" shall mean the total amount available after payment of all reasonable costs, expenses, and attorneys' fees necessarily paid or incurred by Grantor, Beneficiary, and Trustee in connection with the taking by condemnation. Sale of all or any part of the Real Property to a purchaser with the power of eminent domain in the face of a threat or the probability of the exercise of the power shall be treated as a taking by condemnation to which this Section shall apply and shall not be considered a transfer for purposes of Section 10. The amount of net proceeds applied shall be a portion sufficient to cause the loan amount to be less than or equal to fifty percent (50%) of the value of the Real Property remaining after the condemnation.

7.2 Proceedings. If any proceedings in condemnation are filed, Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Beneficiary shall be entitled, at its option, to commence, appear in and prosecute in its own name, any action or proceeding, or to make any reasonable compromise or settlement, in connection with such taking or damage, and to obtain all compensation, awards or other relief therefore to which Grantor may be entitled.

8. Imposition of Tax By State.

8.1 State Taxes Covered. The following shall constitute state taxes to which this Section applies:

- (a) A specific tax upon trust deeds or upon all or any part of the indebtedness secured by a trust deed.
- (b) A specific tax on a grantor which the taxpayer is authorized or required to deduct from payments on the indebtedness secured by a trust deed.
- (c) A tax on a trust deed chargeable against the beneficiary or the holder of the note secured.
- (d) A specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Grantor.

8.2 Remedies. If any state tax to which this Section applies is enacted subsequent to the date of this Trust Deed, this shall have the same effect as a default, and Beneficiary may exercise any or all of the remedies available to it in the event of a default unless the following conditions are met:

(a) Grantor may lawfully pay the tax or charge imposed by the state tax, and

(b) Grantor pays the tax or charge within 30 days after notice from Beneficiary that the tax law has been enacted or the date the tax is payable, whichever is later.

9. Powers and Obligations of Trustee.

9.1 Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Real Property upon the request of Beneficiary and Grantor:

(a) Join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights in the public.

(b) Join in granting any easement or creating any restriction on the Real Property.

(c) Join in any subordination or other agreement affecting this Trust Deed or the interest of Beneficiary under this Trust Deed.

(d) Reconvey, without warranty, all or any part of the Real Property.

9.2 Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

10. Transfer By Grantor.

10.1 Prohibition of Transfer Without Consent. Except with respect to collateral released pursuant to Section 3.3 above, Grantor shall not sell, agree to sell, assign, convey, subcontract, or otherwise transfer any part or all of the Real Property or any interest in the Real Property, without the prior written consent of Beneficiary, which consent may be withheld in Beneficiary's sole discretion. If Grantor or a prospective transferee applies to Beneficiary for consent to a transfer, Beneficiary may require such information as may be reasonably necessary for Beneficiary to assess the prospective transferee's prior business experience, reputation and financial ability to perform Grantor's obligations under this Trust Deed. Without limiting the generality of the foregoing, the occurrence at any time of any of the following events, without Beneficiary's prior written consent, shall be deemed a transfer of title to the Property:

(a) Any sale, conveyance, lease, assignment or other transfer of, or the grant of a security interest in, all or any part of the legal or equitable title to the Property (including sales of or deeds to standing timber), except as may have been permitted in any timber harvest plan approved by Beneficiary pursuant to the Loan Agreement;

(b) Any conveyance, grant or other transfer of the legal or equitable title to the Property which occurs by operation of law, by trustees in bankruptcy, executors or estate administrators or executors, or by or through a bankruptcy court.

(c) The direct or indirect acquisition by any legal entity or person or group (other than by and among Owners, as that term is defined in the Loan Agreement) of a fifty percent (50%) or greater ownership interest in either of the entities comprising Borrowers.

10.2 Condition to Consent. As a condition of its consent to any transfer of the Real Property where consent is required under Section 10.1 above and except as provided in Section 3.3, Beneficiary may in its discretion impose a reasonable service charge not exceeding one quarter of one percent of the outstanding Indebtedness and may increase the interest rate of the Indebtedness to such rate as Beneficiary may then determine to be its current rate on comparable new timberland loans in the State of Washington. Beneficiary may increase the amount of each remaining installment so that the Indebtedness will be fully paid by the original maturity date. In no event, however, shall the interest rate be increased beyond the maximum rate permitted under applicable law.

10.3 Effect of Consent. Consent by Beneficiary to one transfer shall not constitute a consent to other transfers or a waiver of this section. No transfer by Grantor shall relieve Grantor of liability for payment of the Indebtedness. Following a transfer, Beneficiary may agree to any extension of time for payment or modification of the terms of this Trust Deed or the Note or waive any right or remedy under this Trust Deed or the Note without relieving Grantor from liability. Grantor waives notice, presentment, and protest with respect to the Indebtedness.

10.4 Sale of Timber. Sales of Timber by Grantor pursuant to the provisions the Loan Documents shall not be considered as transfers to which this Section 10 applies.

11. Security Agreement; Security Interest.

11.1 Security Agreement. This instrument shall constitute a security agreement with respect to the Proceeds, Timber (including severed Timber and logs), Minerals and Gravel and any other personal property included in the description of the Property.

11.2 Security Interest. Upon request by Beneficiary, Grantor shall execute financing statements and take whatever other action is reasonably requested by Beneficiary to perfect and continue Beneficiary's security interest in the Property. Grantor hereby appoints Beneficiary as Grantor's attorney-in-fact for the purpose of executing any documents necessary to perfect or continue the security interest granted therein. Beneficiary may file copies or reproductions of this Trust Deed as a financing statement at any time and without further authorization from Grantor. Grantor will reimburse Beneficiary for all expenses incurred in perfecting or continuing this security interest.

11.3 Fixture Filing. This instrument constitutes a financing statement filed as a fixture filing in the Official Records of the County Recorder of the county in which the Property is located with respect to any and all fixtures included within the term Property as used herein and with respect to any goods or other personal property that may now be or hereafter become such fixtures.

11.4 Termination of Security Interest. The security interest in any portion of the Timber constituting logs shall terminate at such time as the logs have been removed from the Real Property and scaled or otherwise measured in the ordinary course of business.

12. Reconveyance on Full Performance.

If Grantor pays all of the Indebtedness when due and otherwise performs all the obligations imposed upon Grantor under this Trust Deed, Beneficiary shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file and any other lien, encumbrance or other cloud on title created as a result of this transaction. The reconveyance and filing fees shall be paid by Grantor.

13. Default.

The following shall constitute events of default:

(a) Failure of Grantor to pay any portion of the Indebtedness when it is due (including any applicable grace period).

(b) Failure of Grantor within the time required by this Trust Deed to make any payment for taxes, insurance or for reserves for such payment, or any other payment necessary to prevent filing of or discharge of any lien.

(c) Transfer (either voluntarily or by operation of law) or agreement to transfer any part or interest in the Property without the prior written consent of Beneficiary, in violation of Section 10 above.

(d) Dissolution, termination of existence, insolvency on a balance sheet basis or business failure of Grantor, except in connection with a transfer approved by Beneficiary pursuant to Section 10 hereof or unless cured within ten (10) days' notice to Grantor; the commencement by Grantor of a voluntary case under the federal bankruptcy laws or under any other federal or state law relating to insolvency or debtor's relief; the entry of a decree or order for relief against Grantor in an involuntary case under the federal bankruptcy laws or under any other applicable federal or state law relating to insolvency or debtor's relief; the appointment or the consent by Grantor to the appointment of a receiver, trustee, or custodian of Grantor or of any of Grantor's property; an assignment for the benefit of creditors by Grantor; the making or suffering by Grantor of a fraudulent transfer under applicable federal or state law; concealment by Grantor of any of its property in fraud of creditors; the making or suffering by Grantor of a preference within the meaning of the federal bankruptcy law; the imposition of a lien for an amount in excess of \$100,000 through legal proceedings or distraint upon any of the property of Grantor which is not discharged or bonded in the manner permitted by Section 4.2 above.

(e) Failure of Grantor to perform any other obligation under this Trust Deed within 20 days after receipt of written notice from Beneficiary specifying the nature of the default or, if the default cannot be cured within 20 days, failure within such time to commence and pursue curative action with reasonable diligence, but in no event shall the period for cure exceed ninety (90) days. No notice of default and no opportunity to cure shall be required if during the prior 12 months Beneficiary has already sent a notice to Grantor concerning default in performance of the same obligation.

(f) The material inaccuracy of any representation or warranty made pursuant to the Loan Documents or any default under the Loan Documents.

(g) The occurrence of a default by Grantor under any agreement with another lender or lenders resulting in the acceleration of indebtedness in the aggregate amount of \$100,000 or more, or Grantor's failure generally to pay debts totalling such amount as such debts become due.

14. Rights and Remedies on Default.

14.1 Remedies. Upon the occurrence of any event of default and at any time thereafter, Trustee or Beneficiary may exercise any one or more of the following rights and remedies:

(a) Beneficiary may declare the entire Indebtedness immediately due and payable.

(b) The Trustee shall have the right to foreclose by notice and sale, and Beneficiary shall have the right to foreclose by judicial foreclosure, in either case in accordance with applicable law.

(c) If this Trust Deed is foreclosed by judicial procedure, Beneficiary will be entitled to a judgment which will provide that if the foreclosure sale proceeds are insufficient to satisfy the judgment, execution may issue for any amount by which the unpaid balance of the obligations secured by this Trust Deed exceeds the net sale proceeds payable to Beneficiary.

(d) With respect to all or any part of the Property that constitutes personalty, Beneficiary shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

(e) Beneficiary shall have the right, without notice to Grantor, to take possession of the Property and collect the Proceeds, including amounts past due and unpaid, and apply the net proceeds, over and above Beneficiary's costs, against the Indebtedness. In furtherance of this right, Beneficiary may require any tenant or other user to make payments of rent or use fees directly to Beneficiary. If the Proceeds are collected by Beneficiary, then Grantor irrevocably designates Beneficiary as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Beneficiary in response to Beneficiary's demand shall satisfy the obligation for which the payments are made, whether or not any proper grounds for the demand existed. Beneficiary may exercise its rights under this paragraph either in person, by agent or through a receiver.

(f) Beneficiary shall have the right to have a receiver appointed to take possession of any or all of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, to collect the Proceeds from the Property and apply the Proceeds, over and above cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Beneficiary's right to the appointment of a receiver shall exist whether or not apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Beneficiary shall not disqualify a person from serving as a receiver.

(g) In the event Grantor remains in possession of the Property after the Property is sold as provided above or Beneficiary otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at will of Beneficiary or the purchaser of the Property and shall pay a reasonable rental for use of the Property while in Grantor's possession.

(h) Trustee and Beneficiary shall have any other right or remedy provided in this Trust Deed, the Loan Documents or any other instrument delivered by Grantor in connection therewith, or available at law, in equity or otherwise whether or not specified herein.

14.2 Rights of Receiver or Mortgagee-in-Possession. Upon taking possession of all or any part of the Property, the receiver or Beneficiary may:

(a) Use, operate, manage, control and conduct business on the Property, including harvesting and selling Timber, and make expenditures for all maintenance and improvements as in its judgment are proper;

(b) Collect the Proceeds from the Property and apply such sums to the expenses of use, operation, and management; and

(c) At Beneficiary's option, complete any construction or logging operations in progress on the Property, and in that connection pay bills, borrow funds, employ contractors and make any changes in plans or specifications as Beneficiary deems appropriate.

If the revenues produced by the Property are insufficient to pay expenses, the receiver may borrow, from Beneficiary (if Beneficiary, in its sole discretion, agrees to lend) or otherwise, or Beneficiary may borrow or advance, such sums as the receiver or Beneficiary may deem necessary for the purposes stated in this paragraph. The amounts borrowed or advanced shall bear interest from the date of expenditure until repaid at the same interest rate as provided in paragraph 15.4 below. Such sums shall become a part of the indebtedness secured by this Trust Deed and shall be payable by Grantor on demand.

14.3 Sale of the Property. In exercising its rights and remedies, the Trustee or Beneficiary may cause all or any part of the Property to be sold as a whole or in parcels, and certain portions of the Property may be sold without selling other portions. Beneficiary may bid at any public sale on all or any portion of the Property.

14.4 Notice of Sale. Beneficiary shall give Grantor reasonable notice of the time and place of any public sale of any personal property or of the time after which any private sale or other intended disposition of the personal property is to be made. Reasonable notice shall mean notice given at least 10 days before the time of the sale or disposition.

14.5 Waiver, Election of Remedies. A waiver by either party of a breach of a provision of this Trust Deed shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. Election by Beneficiary to pursue any remedy shall not exclude pursuit of any other remedy, and all remedies of Beneficiary under this Trust Deed are cumulative and not exclusive. An election to make expenditures or take action to

perform an obligation of Grantor shall not affect Beneficiary's right to declare a default and exercise its remedies under this Trust Deed.

14.6 Attorneys' Fees; Expenses. In the event suit or action is instituted to enforce any of the terms of this Trust Deed, the prevailing party shall be entitled to recover its reasonable attorneys' fees at trial, on any appeal, and on any petition for review, in addition to all other sums provided by law. Whether or not any court action is involved, all reasonable expenses incurred by Beneficiary that are necessary at any time in Beneficiary's opinion for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the same interest rate as provided in paragraph 15.4 below. Expenses covered by this paragraph include (without limitation) the cost of searching records, obtaining title reports, surveyors' reports, consultants' fees, attorneys' opinions, title insurance, and fees for the Trustee.

15. Miscellaneous.

15.1 Time of Essence. Time is of the essence of this Trust Deed.

15.2 Binding Upon Successors and Assigns. Subject to the limitations stated in this Trust Deed on transfer of Grantor's interest and subject to the provisions of applicable law with respect to successor trustees, this Trust Deed shall be binding upon and inure to the benefit of the parties, their successors and assigns.

15.3 Security Agreement. In construing this Trust Deed, the term "Trust Deed" shall encompass the term "security agreement" when the instrument is being construed with respect to any personal property.

15.4 Expenditure by Beneficiary. If Grantor fails to comply with any provision of this Trust Deed, Beneficiary may elect to take the required action on Grantor's behalf, and any amount that Beneficiary expends in so doing shall be added to the Indebtedness. Amounts so added shall be payable on demand with interest from the date of expenditure at the default interest rate provided in the Note, but in any event not at a rate higher than the maximum rate permitted by law. Such action by Beneficiary shall not constitute a cure or waiver of the default or any other right or remedy which Beneficiary may have on account of Grantor's default.

15.5 Notices. Any notice under this Trust Deed shall be in writing and shall be effective when either delivered in person or, if mailed, shall be deemed effective on the second day after deposited as registered or certified mail, postage prepaid, addressed to the parties at the following addresses:

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If to Beneficiary:

Metropolitan Life Insurance Company
Agricultural Investments
8717 West 110th Street, Suite 700
Overland Park, Kansas 66210
Attention: Senior Vice President

With a copy to:

Metropolitan Life Insurance Company
MetLife Timber Office
1416 16th Avenue
Longview, WA 98632
Attention: Manager

If to Grantor:

Mr. Wallace E. Stevenson
c/o North Pacific Management
919 SW Taylor Street
Portland, OR 97205

and to:

Mr. Wallace E. Stevenson
S.D.S. Co.
PO Box 266
Bingen, WA 98605

With a copy to:

Tonkon, Torp, Galen, Marmaduke & Booth
1600 Pioneer Tower
888 SW Fifth Avenue
Portland, OR 97204
Attention: Morris J. Galen

Any party may change its address for notices by written notice to the other.

15.6 Invalid Provisions to Affect No Others. If any of the provisions contained in the Note or this Trust Deed shall be invalid, illegal or unenforceable in any respect, the validity of the remaining provisions in this Trust Deed and the Note shall not be affected.

15.7 Changes in Writing. This Trust Deed and any of its terms may only be changed, waived, discharged or terminated by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. Any agreement subsequently made by Grantor or Beneficiary relating to this Trust Deed shall be superior to the rights of the holder of any intervening lien or encumbrance.

15.8 Applicable Law. The law of the State of Washington shall be applicable for the purpose of construing and determining the validity of this Trust Deed and determining the rights and remedies of Beneficiary on default.

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15.9 Exhibits and Schedules. The following exhibits and schedules are attached to this Trust Deed and incorporated herein by reference:

Exhibit A - Real Property Description
Exhibit B - Permitted Encumbrances

15.10 Joint and Several Liability. Grantor's obligations imposed upon Grantor under this Trust Deed shall be nonrecourse to Grantor's general partners.

15.11 Nonagricultural. The Real Property is not used principally for agricultural or farming purposes.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

IN WITNESS WHEREOF, the Grantor has executed this Trust Deed, Security Agreement and Fixture Filing as of the date first above written.

GRANTOR: S.D.S. CO., a Washington general partnership

By: [Signature]
Managing Partner

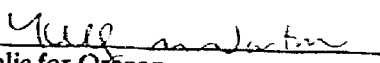
By: [Signature]
Managing Partner

STATE OF OREGON

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County of Multnomah

This instrument was acknowledged before me this 13th day of December, 1995 by Bruce R. Stevenson and John L. Cheney known to me to be the managing partners of S.D.S. Co., a Washington general partnership, on behalf of said partnership.


Notary Public for Oregon

My commission expires: 8/25/96



EXHIBIT A BOOK 154 PAGE 173
Skamania County

PARCEL 1: The East half of the Northeast Quarter of the Southwest Quarter of Section 24, Township 3 North, Range 7 East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL 2: The Northeast Quarter of the Northwest Quarter of the Southeast Quarter, the North half of the Northeast Quarter of the Southeast Quarter, the Southwest Quarter of the Northeast Quarter of the Southeast Quarter and the Northwest Quarter of the Southeast Quarter of the Southeast Quarter, all in Section 26, Township 3 North, Range 7 East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL 3: Beginning at the Southwest corner of Section 6, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington; thence North 20 chains; thence East 20 chains; thence South 20 chains; thence West 20 chains to the point of beginning.

EXCEPT that portion conveyed to State of Washington by instrument recorded in Book 43, Page 327.

ALSO EXCEPT that portion lying Northerly of highway as deeded by instrument recorded in Book 47, Page 220.

PARCEL 4: Beginning at a point on the South line of Section 17, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington, North 89 15' East 1,298.8 feet from the quarter corner on the South line of the said Section 17; thence North 686.80 feet; thence South 89 15' West 634.4 feet; thence North 1,373.6 feet; thence North 89 15' East 634.5 feet; thence North 592.5 feet to a point on the center line running East and West through the said Section 17, said point being South 89 55' East 1,299 feet from the center of said Section 17; thence South 89 55' East 1,705.8 feet to the quarter corner on the East line of the said Section 17; thence South 08 54' West along the East line of the said Section 17 to a point 1,700 feet distant from the Southeast corner of the said Section 17; thence West 150 feet; thence South 08 54' West parallel to the East line of the said Section 17 a distance of 800 feet; thence East 150 feet to the East line of the said Section 17; thence South 08 54' West 173 feet; thence West to the Westerly line of the 150 foot right of way granted to the State of Washington for Secondary State Highway No. 8-C by deed dated October 9, 1956; thence in a Southerly direction following said Westerly right of way line to intersection with the South line of the said Section 17; thence South 89 15' West to the point of beginning.

EXCEPT that portion thereof lying within and Westerly of the said 150 foot right of way granted to the State of Washington for Secondary State Highway No. 8-C.

PARCEL 5: The South half of the Northeast Quarter, the North half of the Southeast Quarter and the North half of the Southwest Quarter, all in Section 19, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL 6: The Southwest Quarter of the Northwest Quarter and the East half of the Northwest Quarter all in Section 20, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington.

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EXCEPTING therefrom the following:

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Beginning at the North Quarter corner of said Section 20; thence West 396 feet; thence South 792 feet; thence East 396 feet; thence North 792 feet to the point of beginning.

ALSO EXCEPT that portion conveyed to Jesse G. Renfro et. ux. by instrument recorded May 31, 1977 in Book 72, Page 758.

PARCEL 7: That portion of the Jos. Robbins D.L.C. in Sections 26 and 27, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington, lying Northerly of County Road No. 3271 designated as the Home Valley Cut-Off Road extending Easterly from its intersection with County Road No. 3036 designated as the Berge Road.

EXCEPT that portion thereof lying Northwesterly of the said Berge Road.

The North half of the Northwest Quarter, the Southeast Quarter of the Northwest Quarter, and Government Lot 1, all in Section 26, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania State of Washington.

EXCEPT a strip of land 300 feet in width acquired by the United States of America for the Bonneville Power Administrations's Bonneville-Coulee No. 1 and No. 2 transmission lines.

ALSO EXCEPT that portion thereof lying Westerly of County Road No. 3036 designated as the Berge Road.

ALSO EXCEPT a strip of land 40 feet in width described as follows:

Beginning at the Northwest corner of the said Section 26; thence East following the North line of the said Section 26 720 feet; thence South 40 feet; thence West 720 feet to intersection with the West line of the said Section 26; thence North 40 feet to the point of beginning.

All that portion of Government Lot 2 and of the Northeast Quarter of the Southwest Quarter of Section 26, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington, lying Northerly of County Road No. 3271 designated as the Home Valley Cut-Off-Road.

PARCEL 8: The West half of the Northwest Quarter of Section 29, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington.

EXCEPT the 300 foot strip of land acquired by the United States of America for the Bonneville Power Administration.

PARCEL 9: That portion of the Northeast Quarter of the Northeast Quarter of Section 30, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington, described as follows:

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Beginning at the Northwest corner of the Northeast Quarter of the Northeast Quarter of the said Section 30; thence East 80 rods to the Northeast corner of the Northeast Quarter of the Northeast Quarter of the said Section 30; thence South 80 rods; thence in a Northwesterly direction to the point of beginning.

PARCEL 10: The Southeast Quarter of the Northeast Quarter of Section 12, Township 3 North, Range 9 East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL 11: The Northwest Quarter, the Northeast Quarter of the Southwest Quarter and the Northwest Quarter of the Southeast Quarter, all in Section 23, Township 3 North, Range 9 East of the Willamette Meridian, in the County of Skamania, State of Washington.

EXCEPT that portion conveyed to Skamania County by instrument recorded February 26, 1960 in Book 47, Page 99.

PARCEL 12: Lot 4, Block 11 (also described as the Southeast Quarter of the Southwest Quarter of the Southeast Quarter of Section 10), the South half of Lot 1, Block 15 (also described as the South half of the Northeast Quarter of the Northwest Quarter of the Northeast Quarter of Section 15), the North half of Lot 2, Block 15 (also described as the North half of the Northwest Quarter of the Northwest Quarter of the Northeast Quarter of Section 15), the North half of Lot 1, Block 14 and the North half of Lot 2, Block 14 (also described as the North half of the North half of the Northeast Quarter of the Northwest Quarter), all in the MANZANOLA ORCHARD AND LAND COMPANY TRACTS, according to the recorded plat thereof, recorded in Book A of Plats, Page 37, all in Township 3 North, Range 9 East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL 13: The Southeast Quarter of the Southeast Quarter of the Southwest Quarter of Section 11, Township 3 North, Range 9 East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL 14: Government Lots 1, 2 and 3 and the Southwest Quarter of the Northeast Quarter all in Section 4, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL 15: The North half of the Southwest Quarter of the Southwest Quarter, Northwest Quarter of the Southwest Quarter of Section 4 all of Section 5, the Northwest Quarter of the Southwest Quarter, the East half of the Southwest Quarter and the East half in Section 6; the Northeast Quarter of the Northwest Quarter and the East half all in Section 7; all of Section 8 all in Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL 16: All of Section 17, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.

EXCEPTING therefrom the following:

- A. That portion conveyed to State of Washington by instrument recorded December 12, 1947 under Auditor's File No. 37340.

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- B. That portion conveyed to Lee Montgomery et. ux. by instrument recorded March 16, 1970 in Book 61, Page 595, Auditor's File No. 71947.
- C. That portion conveyed to Karl Klippel et. ux. by instrument recorded August 8, 1995 in Book 151, Page 631.
- D. The South half of the South half of the Southeast Quarter of the Southeast Quarter as described by instrument recorded in Book 74, Page 802.

PARCEL 17: The East half and the East half of the Southwest Quarter, all in Section 18, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington. EXCEPT that portion as described in Book 49, Page 181.

PARCEL 18: The West half of the Northwest Quarter, the Southeast Quarter of the Northwest Quarter, the Northwest Quarter of the Southeast Quarter and the Southwest Quarter, all in Section 9, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.

ALSO the Northwest Quarter, the Northwest Quarter of the Southwest Quarter, the North half of the Southwest Quarter of the Northeast Quarter, the Southeast Quarter of the Southwest Quarter of the Northeast Quarter, all in Section 16, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.

ALSO a tract of land in the Southeast Quarter of the Northeast Quarter of Section 16, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington, described as follows:

Beginning at a point 56 rods West of the Southeast corner of the Northeast Quarter of Section 16; thence North 40 rods; thence West 24 rods; thence South 40 rods; thence East 24 rods to the place of beginning.

ALSO the Northeast Quarter of the Southeast Quarter of Section 16, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.

EXCEPTING therefrom the following:

- A. That portion conveyed to Leslie E. Donaldson et. ux. by instrument recorded September 13, 1983 in Book 82, Page 680.
- B. Lots 1 and 2 of the A.G. Malella Short Plat, recorded in Book 3 of Short Plats, Page 239 and that portion lying South of Lot 2.
- C. Lots 1 and 2 of the Reno Ziegler Short Plat, recorded in Book 2 of Short Plats, Page 55.

PARCEL 19: The Southeast Quarter of the Northeast Quarter, the North half of the Southeast Quarter and the Southeast Quarter of the Southeast Quarter all in Section 4, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.

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PARCEL 20: The North half of the Northeast Quarter of Section 19, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.

EXCEPT the following described tract:

Beginning at a brass hub marking the center of the said Section 19; thence north 1,320 feet to an iron pipe and the initial point of the tract hereby described; thence East 1,389.6 feet to an iron pipe; thence North 28 East 152.5 feet to an iron pipe; thence North 60 West 173.6 feet to an iron pipe; thence North 85 West 772.2 feet to an iron pipe; thence West 309 feet to an iron pipe; thence North 06 45' West 1,042 feet; thence West 107.1 feet to an iron pipe; thence South 1,320 feet to the initial point.

PARCEL 21: That portion of the West half of the Northwest quarter lying North of County road, that portion of the Southeast quarter of the Northwest quarter lying North of county road, The West half of the Northeast Quarter of the Northeast Quarter, the Southwest Quarter of the Northeast Quarter, the Southeast Quarter of the Northeast Quarter, except the South 330 feet thereof, all of the North 330 feet of the Northwest Quarter of the Southeast Quarter, all in Section 20, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL 22: The Southeast Quarter of the Northwest Quarter of Section 22, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.

ALSO that portion of Lot 2 of said Section 22 lying Northerly of the right of way of the Spokane, Portland and Seattle Railway Company right of way.

EXCEPT from said Government Lot 2 that portion thereof conveyed to the State of Washington for State Highway No. 8 (now State Highway No. 14) by instrument dated February 26, 1934, recorded May 15, 1934 in Book X of Deeds, Page 516, Auditor's File No. 19446, records of Skamania County, Washington.

PARCEL 23: The South half of the Northwest Quarter of the Southeast Quarter and the Southwest Quarter of the Southeast Quarter all in Section 1 and the Northwest Quarter of the Northeast Quarter of Section 12, all in Township 3 North, Range 7½ East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL 24: Government Lots 11 and 12 in Section 24, Township 3 North, Range 7½ East of the Willamette Meridian, in the County of Skamania, State of Washington.

EXCEPT that portion conveyed to Thomas A. Smith et. ux by instrument recorded August 24, 1992 in Book 130, Page 343.

PARCEL 25: Government Lots 1 and 2 in Section 25, Township 3 North, Range 7½ East of the Willamette Meridian, in the County of Skamania, State of Washington.

EXCEPT that portion conveyed to Thomas A. Smith et. ux. by instrument recorded August 24, 1992 in Book 130, Page 343.

EXCEPT that portion conveyed to United States of America.

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PARCEL 26: The East half of Government Lot 7, the West half of the Northwest Quarter of the Southeast Quarter and Government Lot 12, except the West 46 rods thereof, all in Section 25, Township 3 North, Range 7½ East of the Willamette Meridian, in the County of Skamania, State of Washington.

EXCEPT that portion thereof lying within the 300 foot strip of land acquired by the United States of America for the Bonneville-Coulee No. 1 and No. 2 transmission lines.

PARCEL 27: Government Lot 10 and the West 18.63 acres of Government Lot 11, in Section 25, Township 3 North, Range 7½ East of the Willamette Meridian, in the County of Skamania, State of Washington.

EXCEPT that portion thereof which lies within the 300 foot strip of land acquired by the United States of America for Bonneville Power Administrations electric power transmission lines.

PARCEL 28: The South half of the Northeast Quarter, the North half of the Southeast Quarter and the South half of the Northwest Quarter, all in Section 36, Township 4 North, Range 7 East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL 29: Government Lots 1 and 2 of Section 36, Township 4 North, Range 7½ East of the Willamette Meridian, in the County of Skamania, State of Washington.

EXCEPT a tract of land consisting of five acres, more or less, conveyed to Harvey L. Moon and Joan Moon, husband and wife, by deed dated October 8, 1969, recorded at Page 625, Book 63 of Deeds, records of Skamania County, Washington.

ALSO EXCEPT a tract consisting of five acres, more or less, sold under real estate contract dated December 15, 1965 to Walter D. Latimer and Jeanette D. Latimer, husband and wife, recorded at Page 312, Book 55 of Deeds, records of Skamania County, Washington.

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EXHIBIT B
TO
DEED OF TRUST, SECURITY AGREEMENT
AND FIXTURE FILING

Permitted Encumbrances

(Skamania County)

220. Easement for Right of Way, including the terms and provisions thereof, recorded May 4, 1908 in Book L, Page 94, Skamania County Deed Records. (Affects Parcel 18)

221. Easement for Right of Way, in favor of Home Valley Irrigation and Power Company, including the terms and provisions thereof, recorded in Book N, Page 254, Skamania County Deed Records. (Affects Parcel 26)

222. Easement for Ditch and Flume, including the terms and provisions thereof, recorded August 28, 1911 in Book N, Page 271. Also recorded June 14, 1920 in Book R, Page 598, Skamania County Deed Records. (Affects Parcel 29)

223. Mineral Reservation in favor of the State of Washington, arising by reason of reservation in Deed from the State of Washington, recorded in Book P, Page 539, Skamania County Deed Records. (Affects Parcel 18)

224. Mineral Reservation in favor of the State of Washington, arising by reason of reservation in Deed from the State of Washington, recorded May 14, 1917, in Book Q, Page 175, Skamania County Deed Records.

225. Reservation for Minerals, including the terms and provisions thereof, recorded in Book Q, Page 467, Skamania County Deed Records. (Affects part of Section 16, T3NR10)

226. Easement for Pipeline in favor of Wind River Irrigation District, including the terms and provisions thereof, recorded January 29, 1934 in Book X, Page 434, Skamania County Deed Records. (Affects Parcel 3 of Exhibit B)

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227. Reservation of Right to Construct Highway, including the terms and provisions thereof, recorded September 29, 1936 in Book Z, Pages 4 and 15, Skamania County Deed Records. (Affects part of Section 17, T3NR10)
228. Reservation of Right to Construct Highway, including the terms and provisions thereof, recorded September 12, 1939 in Book 27, Page 511, Skamania County Deed Records. (Affects part of Section 7, T3NR10)
229. Reservation of Right to Construct Highway, including the terms and provisions thereof, recorded December 5, 1939 in Book 27, Page 588, Skamania County Deed Records. (Affects part of Section 18, T3NR10)
230. Reservation of Right to Construct Highway, including the terms and provisions thereof, recorded in Auditor's File No. 29081 in Book 28, Page 104, Skamania County Deed Records. (Affects part of Section 18, T3NR10)
231. Reservation of Right to Construct Highway, including the terms and provisions thereof, recorded October 5, 1940 in Book 28, Page 156, Skamania County Deed Records. (Affects part of Section 17, T3NR10)
232. Easement for Access in favor of the United State of America, including the terms and provisions thereof, recorded November 26, 1940 in Book 28, Page 190. Also recorded in Book 28, Page 326, Skamania County Deed Records. (Affects part of Section 18, T3NR10EWM)
233. Easement for Access, in favor of the United States of America, including the terms and provisions thereof, recorded June 4, 1941 in Book 28, Page 341, Skamania County Deed Records. (Affects Parcel 26)
234. Reservations to Construct Highway, in favor of Skamania County, including the terms and provisions thereof, recorded November 8, 1948 in Book 29, Page 597, Skamania County Deed Records. (Affects Parcel 24)
235. Reservation of Right to Construct Highway, including the terms and provisions thereof, recorded July 17, 1945 in Book 30, Page 423, Skamania County Deed Records. (Affects Parcel 20)
236. Reservation of Right to Construct Highway, including the terms and provisions thereof, recorded October 16, 1945 in Book 30, Page 514, Skamania County Deed Records. (Affects part of Section 6, T3NR10)

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237. Reservation of Rights to construct highways over the North half of the Southeast Quarter of the Northeast Quarter and the North half of the Northeast Quarter, all in Section 5, T3NR10EWM, recorded in Auditor's File No. 36568.
238. Easement for Transmission Lines, including the terms and provisions thereof, recorded December 12, 1947 in Book 31, Page 559, Skamania County Deed Records. (Affects part of Section 17, T3NR10)
239. Reservation of Right to Construct Highway, including the terms and provisions thereof, recorded December 15, 1947 in Book 31, Page 563, Skamania County Deed Records. (Affects part of Section 16, T3NR10)
240. Easement for Transmission Lines, including the terms and provisions thereof, recorded in Book 31, Page 608, Skamania County Deed Records. (Affects Parcel 21)
241. 6% of Royalty in Oil, Gas and Mineral Rights, reserved by John Stolte, including the terms and provisions thereof, recorded November 18, 1948 in Book 32, Page 238, Skamania County Deed Records. (Affects part of Government Lot 12, Section 24, T3NR7&1/2EWM)
242. Reservation of Minerals, Oils and Gas to John J. Stolte, an undivided 1/2 interest, including the terms and provisions thereof, recorded September 6, 1949, Auditor's File No. 39777, Skamania County Deed Records. (Affects the Southeast Quarter of the Northeast Quarter of Section 19, T3NR8EWM)
243. Reservation of Right to Construct Highway, including the terms and provisions thereof, recorded August 14, 1950 in Book 33, Page 197, Skamania County Deed Records. (Affects part of Section 8, T3NR10)
244. Reservations of Minerals, Oils and gas to Frank Birkenfeld, including the terms and provisions thereof, recorded April 9, 1951 in Book 33, Page 415, Skamania County Deed Records. (Affects the Southeast Quarter of the Northeast Quarter of Section 19, T3NR8EWM)
245. Easement for transmission Lines in favor of the United States of America, including the terms and provisions thereof, recorded August 14, 1953 in Book 37, Page 107, Skamania County Deed Records. (Affects Parcel 7)
246. Easement for Access Road, including the terms and provisions thereof, recorded August 18, 1953 in Book 37, Page 120, Skamania County Deed Records. (Affects Parcel 8)

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247. Easement for Transmission Lines, including the terms and provisions thereof, recorded in Book 38, Page 119 Skamania County Deed Records. (Affects Parcel 1 of Exhibit B)
248. Easement for Transmission Line, including the terms and provisions thereof, recorded in Book 38, Page 245. Also recorded in Book 39, Page 1, Skamania County Deed Records. (Affects Parcel 10)
249. Easement for Transmission Lines, including the terms and provisions thereof, recorded August 11, 1954 in Book 38, Page 323, Skamania County Deed Records. (Affects part of Section 8, T3NR10)
250. Easement for Transmission Lines, including the terms and provisions thereof, recorded September 10, 1954 in Book 38, Page 381. Also recorded in Book 64, Page 712, Skamania County Deed Records. (Affects Parcel 18)
251. Easement for Transmission Lines, including the terms and provisions thereof, in favor of the United State of America, recorded July 7, 1954 in Book 39, Page 1. Also recorded in Book 64, Page 712, Skamania County Deed Records.
252. Easement for Roads in favor of Department of Fisheries, including the terms and provisions thereof, recorded February 9, 1955 in Book 39, Page 210, Skamania County Deed Records. (Affects Parcel 4 of Exhibit B)
253. Easement for Pipeline, including the terms and provisions thereof, recorded in Book 40, Page 382, Skamania County Deed Records. (Affects Parcel 14)
254. Easement for Pipeline, in favor of Pacific Northwest Pipeline, including the terms and provisions thereof, recorded in Book 40, Page 386, Skamania County Deed Records. (Affects part of Section 6, T3NR10EWM)
255. Easement for Pipeline, including the terms and provisions thereof, recorded January 4, 1956 in Book 40, Page 436, Skamania County Deed Records. (Affects Parcel 8)
256. Easement for Pipeline, including the terms and provisions thereof, recorded August 9, 1956 in Book 42, Page 133, Skamania County Deed Records. (Affects part of Section 16, T3NR10)
257. The interest, if any, of Carl E. Mattson and Lorraine E. Mattson, husband and wife, in a tract of land approximately 1 acre in area, water rights on a certain spring, and an easement for water pipeline, under a contract of sale dated October 15, 1956, recorded January 30, 1957 in Book 43, Page 160 of Deeds, Auditor's File No. 51733 and under an amendment of said contract dated March 29, 1957, recorded April 19, 1957 in Book 43, Page 296 of Deeds, Auditor's File No. 52080, Deed records of Skamania County, Washington. (Affects Government Lot 11, Section 24, T3NR7&1/2E)

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258. Reservation of Mineral, etc., in favor of R.D. Remington, including the terms and provisions thereof, recorded March 9, 1959 in Book 46, Page 8, Skamania County Deed Records. (Affects Parcel 18)
259. Easement for Transmission Lines, including the terms and provisions thereof, recorded in Book 51, Page 329, Skamania County Deed Records. (Affects Parcel 8)
260. Easement for Transmission Lines, including the terms and provisions thereof, recorded in Book 51, Page 368, Skamania County Deed Records. (Affects Parcel 26)
261. Easement for Transmission Lines, including the terms and provisions thereof, recorded in Auditor's File No. 61519. Also recorded in Book 55, Page 315, Skamania County Deed Records. (Affects Parcel 27)
262. Easement for Roadway, including the terms and provisions thereof, recorded October 4, 1971 in Book 63, Page 353, Skamania County Deed Records. (Affects part of Section 16, T3NR10)
263. Easement for Transmission Lines, including the terms and provisions thereof, recorded in Book 63, Page 871, Skamania County Deed Records. (Affects Parcel 1 of Exhibit B)
264. Easement for Pipeline, including the terms and provisions thereof, recorded May 9, 1972 in Book 64, Page 93, Skamania County Deed Records. (Affects Parcel 29)
265. Easement for Water System in favor of August M. Paasch et. ux., including the terms and provisions thereof, recorded October 30, 1972 in Book 64, Page 635, Skamania County Deed Records. (Affects Parcel 7)
266. Easement for Ingress and Egress, including the terms and provisions thereof, recorded May 31, 1977 in Book 72, Page 758, Skamania County Deed Records. (Affects Parcel 6)
267. Easement for Access, including the terms and provisions thereof, recorded July 13, 1979 in Book 76, Page 822, Skamania County Deed Records. (Affects Parcel 7)
268. Easement for Road, including the terms and provisions thereof, recorded in Book 77, Page 976, Skamania County Deed Records. (Affects Parcel 10)
269. Easement for Ingress and Egress, including the terms and provisions thereof, recorded August 20, 1980 in Book 78, Page 575, Skamania County Deed Records. (Affects Parcel 7)

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270. Easement for Right of Way, including the terms and provisions thereof, recorded September 3, 1981 in Book 80, Page 270, Skamania County Deed Records. (Affects the South half of the Northeast Quarter and the Northeast Quarter of the Southeast Quarter of Section 19, T3NR8EWM)

Assigned to Longview Fibre Company, recorded in Book 83, Page 647, Skamania County Deed Records.

271. Easement for Existing Roads, in favor of the State of Washington acting through the Department of Natural Resources, including the terms and provisions thereof, recorded in Book 84, Page 98.

272. Easement for Ingress, Egress and Utilities, including the terms and provisions thereof, recorded November 29, 1988 in Book 112, Page 26, Skamania County Deed Records. (Affects Parcel 22)

273. Easement for Ingress and Egress, including the terms and provisions thereof, recorded January 23, 1989 in Book 112, Page 565, Skamania County Deed Records. (Affects Parcel 7)

274. Easement for Road, including the terms and provisions thereof, recorded July 17, 1995 in Book 151, Page 163, Skamania County Deed Records. (Affects Parcel 8)

BOOK B
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