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124967

DEED OF TRUST
Line of Credit Mortgage

BOOK 156 PAGE 455

DATED: APRIL 2, 1996

BETWEEN: FRANK KELLER, A SINGLE MAN AND KATHLEEN WEIR, A SINGLE WOMEN ("Trustor," hereinafter "Grantor")

whose address is P.O. BOX 393 STEVENSON, WA 98648

AND WASHINGTON STATE EMPLOYEES CREDIT UNION, Beneficiary ("Credit Union")

whose address is 1500 FAIRVIEW AVE E. SEATTLE, WA 98102

AND SKAMANIA COUNTY TITLE COMPANY ("Trustee")

Grantor conveys to Trustee for benefit of Credit Union as beneficiary all of Grantor's right, title and interest in and to the following described real property (the "Real Property"), together with all existing or subsequently erected or affixed improvements or fixtures

(Check one of the following)

- ☐ This Deed of Trust is part of the collateral for the Agreement. In addition, other collateral also may secure the Agreement
☒ This Deed of Trust is the sole collateral for the Agreement

SEE ATTACHED LEGAL DESCRIPTION : UNIMPROVED LAND ONLY

FILED
SKAMANIA CO. TITLE
APR 5 12 24 PM '96
GARY H. OLSON

Grantor presently assigns to Credit Union (also known as Beneficiary) all of Grantor's right, title, and interest in and to all rents, revenues, income, issues, and profits (the "Income") from the Real Property described above.

Grantor grants Credit Union a Uniform Commercial Code security interest in the Income and in all equipment, fixtures, furnishings, and other articles of personal property owned by Grantor, now or subsequently attached or affixed to the Real Property described above, together with all accessions, parts, or additions to, all replacements of and all substitutions for any of such property, and together with all proceeds (including insurance proceeds and refund of premium) from any sale or other disposition (the "Personal Property"). The Real Property and the Personal Property are collectively referred to as the "Property."

(Check if Applies)

- ☐ There is a mobile home on the Real Property, which is covered by this security instrument, and which is and shall remain:
(Please check ☒ which is applicable)
____ Personal Property
____ Real Property

The term "indebtedness" as used in this Deed of Trust, shall mean the debt to Credit Union described above, including interest thereon as described in the credit agreement, plus (a) any amounts expended or advanced by Credit Union to discharge Grantor's obligations hereunder, and (b) any expenses incurred by Credit Union or Trustee to enforce Grantor's obligations hereunder, with interest thereon at the rate of Agreement.

The credit agreement describing the repayment terms of the indebtedness, and any notes, agreements, or documents given to renew, extend or substitute for the credit agreement originally issued is referred to as "the Agreement." The rate of interest on the Agreement is subject to indexing, adjustment, renewal, or renegotiation.

The term "Borrower" is used in the Deed of Trust for the convenience of the parties, and use of that term shall not affect the liability of any such Borrower on the Agreement or create any legal or equitable interest in the Property in Borrower by reason of this Deed of Trust. Any Borrower who signs this Deed of Trust, but does not execute the Agreement, (a) is cosigning this Deed of Trust only to grant and convey that Borrower's interest in the Property to Trustee under the terms of this Deed of Trust, (b) is not personally liable under the Agreement except as otherwise provided by law or contract, and (c) agrees that Credit Union and any other borrower hereunder may agree to extend, modify, forbear, release any collateral, or make any other accommodations or amendments with regard to the terms of this Deed of Trust or the Agreement, without notice to that Borrower, without that Borrower's consent and without releasing that Borrower or modifying this Deed of Trust as to that Borrower's interest in the Property.

This Deed of Trust secures (check if applicable):

- ☐ **Line of Credit.** A revolving line of credit which obligates Credit Union to make advances to Grantor in the maximum principal amount at any one time of \$ _____ until the Agreement is terminated or suspended or if advances are made up to the maximum credit limit, and Grantor complies with the terms of the Agreement dated _____. (In Oregon, for purposes of ORS 88.110, the maximum term of the Agreement including any renewals or extensions is 30 years.) Funds may be advanced by Credit Union, repaid by Grantor, and subsequently readvanced by Credit Union in accordance with the Agreement. Notwithstanding the amount outstanding at any particular time, this Deed of Trust secures the total indebtedness under the Agreement. The unpaid balance of the line of credit under the Agreement will remain in full force and effect notwithstanding a zero outstanding balance on the line from time to time. Any principal advance under the line of credit that exceeds the amount shown above as the principal amount of the Agreement will not be secured by this Deed of Trust.
- ☒ **Land**
Equity Loan. A single advance equity loan in the principal amount of \$ 50,000.00 under the terms of the Agreement dated _____. (In Oregon, for purposes of ORS 88.110 the maximum term of the Agreement is _____ years from the date of the Agreement.) The Credit Union has no obligation to readvance funds paid by Grantor without specific credit approval. This Deed of Trust secures the total indebtedness under the Agreement.

This Deed of Trust including the assignment of income and the security interest is given to secure payment of the indebtedness and performance of all Grantor's obligations under this Deed of Trust and the Agreement and is given and accepted under the following terms:

1. **Rights and Obligations of Borrower.** Borrower Grantor has various rights and obligations under this Deed of Trust. These rights and responsibilities are set forth in the following paragraphs: 1.1. Payments and Performance; 2. Possession and Maintenance of Property; 3. Taxes and Liens; 4. Property Damage Insurance; 5. Expenditure by Credit Union; 7. Condemnation; 8.2. Remedies; 10.1. Consent by Credit Union; 10.2. Effect of Consent; 11. Security Agreement, Financing Statements; 14. Actions Upon Termination; 14.5. Attorneys Fees and Expenses; 16.2. Unit Ownership Power of Attorney; 16.3. Annual Reports; 16.5. Joint and Several Liability; 16.9. Waiver of Homestead Exemption; and 17.3. No Modifications.

- 1.1 **Payment and Performance.** Grantor shall pay to Credit Union all amounts secured by this Deed of Trust as they become due, and shall strictly perform all of Grantor's obligations.
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 Income from the Property.
2.2 **Duty to Maintain.** Grantor shall maintain the Property in first class condition and promptly perform all repairs and maintenance necessary to preserve its value.
2.3 **Nuisance, Waste.** Grantor shall neither conduct or permit any nuisance nor commit or suffer any strip or waste on or to the Property or any portion thereof including without limitation removal or alteration by Grantor of the right to remove any timber, minerals (including oil and gas), or gravel or rock products.
2.4 **Removal of Improvements.** Grantor shall not demolish or remove any improvements from the Real Property without the prior written consent of Credit Union. Credit Union shall consent if Grantor makes arrangements satisfactory to Credit Union to replace any improvement which Grantor proposes to remove with one of at least equal value. "Improvements" shall include all existing and future buildings, structures, and parking facilities.
2.5 **Credit Union's Right to Enter.** Credit Union, its agents and representatives, may enter upon the Property at all reasonable times to attend to Credit Union's interest and to inspect the Property.
2.6 **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 Property. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Credit Union in writing prior to doing so and Credit Union's interest in the Property is not jeopardized.
2.7 **Duty of Protect.** Grantor may do all other acts, allowed by law, that from the character and use of the Property are reasonably necessary to protect and preserve the security.

(2) The value of Grantor's dwelling securing the indebtedness declines significantly below its appraised value for purposes of the Agreement.
(3) Credit Union reasonably believes that Grantor will not be able to meet the repayment requirements of the Agreement due to a material change in Grantor's financial circumstances.

(4) Grantor(s) are in default under any material obligation of the Agreement and Deed of Trust.
(5) The maximum annual percentage rate under the Agreement is reached.
(6) Any government action prevents Credit Union from imposing the annual percentage rate provided for or impairs Credit Union's security interest such that the value of the interest is less than 120 percent of the credit line.
(7) Credit Union has been notified by government agency that continued advances would constitute an unsafe and unsound practice.

C. Change in Terms. The Agreement permits Credit Union to make certain changes to the terms of the Agreement at specified times or upon the occurrence of specified events.

14. Actions Upon Termination.

14.1 Remedies. Upon the occurrence of any termination and at any time thereafter, Trustee or Credit Union may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

(a) With respect to all or any part of the Real Property, the Trustee shall have the right to foreclose by notice and sale, and Credit Union shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

(b) With respect to all or any part of the Personal Property, Credit Union shall have all the rights and remedies of a secured party under the Uniform Commercial Code in effect in the state in which the Credit Union is located.

(c) Credit Union shall have the right, without notice to Grantor, to take possession of the Property and collect the income, including amounts past due and unpaid, and apply the net proceeds, over and above Credit Union's costs, against the indebtedness. In furtherance of this right, Credit Union may require any tenant or other user to make payments of rent or use fees directly to Credit Union. If the income is collected by Credit Union, then Grantor irrevocably designates Credit Union 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 Credit Union in response to Credit Union's demand shall satisfy the obligation for which the payments are made, whether or not any proper grounds for the demand existed. Credit Union may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

(d) Credit Union 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, and to collect the income 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. Credit Union's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Credit Union shall not disqualify a person from serving as a receiver.

(e) If Grantor remains in possession of the Property after the Property is sold as provided above or Credit Union otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at will of Credit Union or the purchaser of the Property and shall pay, while in possession, a reasonable rental for use of the Property.

(f) If the Real Property is submitted to unit ownership, Credit Union or its designee may vote on any matter that may come before the members of the association of unit owners, pursuant to the power of attorney granted Credit Union in Section 16.2.

(g) Trustee and Credit Union shall have any other right or remedy provided in this Deed of Trust, or the Note.

14.2 Sale of the Property. In exercising its rights and remedies, the Trustee or Credit Union, shall be free to sell all or any part of the Property together or separately, or to sell certain portions of the Property and refrain from selling other portions. Credit Union shall be entitled to bid at any public sale on all or any portion of the Property.

14.3 Notice of Sale. Credit Union shall give Grantor reasonable notice of the time and place of any public sale of the 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 ten days before the time of the sale or disposition.

14.4 Waiver, Election of Remedies. A waiver by any party of a breach of a provision of this Deed of Trust 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 Credit Union to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor under this Deed of Trust after failure of Grantor to perform shall not affect Credit Union's right to take actions on the indebtedness and exercise its remedies under this Deed of Trust.

14.5 Attorneys' Fees; Expenses. If Credit Union institutes any suit or action to enforce any of the terms of this Deed of Trust, Credit Union shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Credit Union that are necessary at any time in Credit Union'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 rate of the Agreement. Expenses covered by this paragraph include (without limitation) all attorney fees incurred by Credit Union whether or not there is a lawsuit, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, appraisal fees, life insurance, and fees for the Trustee. Attorney fees include those for bankruptcy proceedings and anticipated post-judgment collection actions.

15. Notice.

Any notice under this Deed of Trust shall be in writing and shall be effective when actually delivered or, if mailed, shall be deemed effective on the second day after being deposited as first-class registered or certified mail, postage prepaid, directed to the address stated in this Deed of Trust. Unless otherwise required by applicable law, any party may change its address for notices by written notice to the other parties. Credit Union requests that copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust be sent to Credit Union's address, as set forth on page one of this Deed of Trust. If the Property is in California, the notice shall be as provided by Section 2924b of the Civil Code of California. If this property is in Virginia, the following notice applies: NOTICE - THE DEBT SECURED HEREBY IS SUBJECT TO CALL IN FULL OR THE TERMS THEREOF MODIFIED IN THE EVENT OF SALE OR CONVEYANCE OF THE PROPERTY CONVEYED.

16. Miscellaneous.

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

16.2 Unit Ownership Power of Attorney. If the Real Property is submitted to unit ownership, Grantor grants an irrevocable power of attorney to Credit Union to vote in its discretion on any matter that may come before the members of the association of unit owners. Credit Union shall have the right to exercise this power of attorney only after default by Grantor and may decline to exercise this power, as Credit Union may see fit.

16.3 Annual Reports. If the Property is used for purposes other than grantor's residence, within 60 days following the close of each fiscal year of Grantor, Grantor shall furnish to Credit Union a statement of net operating income received from the Property during Grantor's previous fiscal year in such detail as Credit Union shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

16.4 Applicable Law. The law of the state in which the Property is located shall be applicable for the purpose of construing and determining the validity of this Deed of Trust and, determining the rights and remedies of Credit Union on default.

16.5 Joint and Several Liability. If Grantor consists of more than one person or entity, the obligations imposed upon Grantor under this Deed of Trust shall be joint and several.

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

16.7 Use.

(a) If located in Idaho, the Property either is not more than twenty acres in area or is located within an incorporated city or village.

(b) If located in Washington, the Property is not used principally for agricultural or farming purposes.

(c) If located in Montana, the Property does not exceed fifteen acres and this instrument is a Trust Indenture executed in conformity with the Small Trust Financing Act of Montana.

(d) If located in Utah, this instrument is a Trust Deed executed in conformity with the Utah Trust Deed Act, UCA 57-1-19 et seq.

16.8 Waiver of Homestead Exemption. Borrower hereby waives the benefit of the homestead exemption as to all sums secured by this Deed of Trust.

16.9 Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Credit Union in any capacity, without the written consent of Credit Union.

16.10 Substitute Trustee. Credit Union, at Credit Union's option, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Credit Union and recorded in the office of the Recorder of the county where the Property is located. The instrument shall contain the name of the original Credit Union, Trustee, and Borrower, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee. The successor trustee shall, without conveyance of the Property, succeed to all the title, powers, and duties conferred upon the Trustee herein and by applicable law. This procedure for substitution of trustees shall govern to the exclusion of all other provisions for substitution.

16.11 Statement of Obligation. If the Property is in California, Credit Union may collect a fee not to exceed \$50 for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

16.12 Severability. If any provision in this Deed of Trust shall be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions shall not in any way be affected or impaired.

17. Prior Indebtedness.

17.1 Prior Lien. The lien securing the indebtedness secured by this Deed of Trust is and remains secondary and inferior to the lien securing payment of a prior obligation in the form of a:

(Check which Applies)

____ Trust Deed

Other (Specify) _____

____ Mortgage

☒ Land Sale Contract

The prior obligation has a current principal balance of \$ 23,000.00 and is in the original principal amount of \$ 35,000.00.

Grantor expressly covenants and agrees to pay or see to the payment of the prior indebtedness and to prevent any default thereunder. If the payment of any installment of principal or any interest on the prior indebtedness is not made within the time required by the Agreement evidencing such indebtedness, or should an event of default occur under the instrument securing such indebtedness and not be cured during any applicable grace period therein, then your action or inaction shall entitle the Credit Union to terminate and accelerate the indebtedness and pursue any of its remedies under this Deed of Trust.

17.3 No Modifications. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Deed of Trust by which that agreement is modified, amended, extended, or renewed without the prior written consent of Credit Union. Grantor shall neither request nor accept any future advances under a prior mortgage, deed of trust, or other security agreement without the prior written consent of Credit Union.

GRANTOR:

FRANK KELLER

GRANTOR:

KATHLEEN WEIR

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EXHIBIT A

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Beginning at a point marked by United States Engineer's Monument at the Northwest corner of Government Lot 12, Section 36, Township 3 North, Range 7½ East of the Willamette Meridian, in the County of Skamania, State of Washington, which said point is sometimes designated as the center of said Section 36; thence South 245 feet to the initial point; thence from said initial point East 126 feet; thence South 4° 30' East 286 feet; thence North 63° 08' East to the Northwest corner of Tract No. 2 of COLUMBIA HOME TRACTS according to the official plat thereof, on file and of record in the office of the County Auditor of Skamania County, Washington; thence South along the West line of said Tract 2 to the North line of State Highway 14; thence Westerly along the Northerly line of said State Highway 14 to the intersection with the East line of Government Lot 10 of said Section 36; thence North to a point marking the corner common to Government Lots 10, 11 and 12 of said Section 36; thence West along the North line of said Lot 10 to intersection with the East line of the Henry Shepard D.L.O.; thence East to the West line of Government Lot 12 aforesaid; thence North to the place of beginning. EXCEPTING therefrom that parcel deed to Clovis J. St. Jean, et. ux., by deed recorded July 16, 1963 in Book 51, Page 429.

ALSO that portion of Lot 2 of COLUMBIA HOME TRACTS described as follows:

Commencing at a point on the North line of State Highway 14, which point is 100 feet West, when measured at right angles, from the East line of said Lot 2; thence North 477 feet; thence East 100 feet to line of said Lot 2; thence North along said East line to the Northeast corner of said Lot 2; thence Westerly along North line of Lot 2 to the Northwest corner thereof; thence South along the West line of Lot 2 to the North line of said State Highway 14; thence Easterly along said North line 106 feet, more or less, to the point of beginning.

EXCEPT that portion conveyed to State of Washington by instrument recorded in Book U, Page 444, and Book W, Page 606.