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BOOK 157 PAGE 433

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FILED FOR RECORD
SKAMANIA WASH
BY First Bank

MAY 30 11 26 AM '96

P. Olson
AUDITOR
GARY H. OLSONThis Document prepared by:
When recorded, return to:Erika Nelson (612) 244-5271
First Trust National Association
MLA Services
180 East Fifth Street, SPFTM205
St. Paul, MN 55101Pool Number: 239684
FBSMC Loan Number: 685420
BA Loan Number: 40834762

This Space Reserved for Recording Information

ASSIGNMENT OF MORTGAGE/DEED OF TRUST

For value received, FBS Mortgage Corporation, a Nevada corporation, with its principal place of business at 1010 S. 7th Street, Minneapolis, MN 55415, hereby sells, assigns, and transfers to:

Bank of America, FSB, a federal savings bank
2810 N. Parham Road, Richmond, VA 23294

its successors and assigns, all its right, title and interest to a certain Mortgage/Deed of Trust described as follows:

EXECUTION DATE: 12/08/93
ORIGINAL BORROWER: RICKY LYNN DRAKE, AN UNMARRIED MAN
ORIGINAL BENEFICIARY: PLAZA MORTGAGE, INC.
COUNTY: SKAMANIA
STATE: WA
RECORDING DATE: 12/16/93
DOCUMENT NUMBER: 118243 BOOK: 140 PAGE: 224
COMMON ADDRESS: X MILEPOST REL WASHCUGAL, WA
01-05-17-0-0-1300-00

Date: May 1, 1996

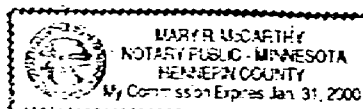


FBS Mortgage Corporation, a Nevada corporation

Jeff Plotnik
Assistant Vice President
State of Minnesota (SS
County of Ramsey)

On this 1st day of May, 1996, before me, a Notary Public, appeared Jeff Plotnik, 1010 S. 7th Street, Minneapolis, MN 55415, who being by me known and duly sworn did state that s/he is the Assistant Vice President of FBS Mortgage Corporation, a Nevada Corporation; that the said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and that said Jeff Plotnik as such Assistant Vice President being authorized so to do acknowledged the execution of said instrument to be the voluntary act and deed of said corporation; and that the seal affixed to the foregoing instrument is the seal of the said corporation.

FTNAFIMA


 Required
 Indexed, OK
 Indirect
 Filmed
 Sealed

In the event Grantors fail to make all such payments when due, Beneficiary may, in addition to requiring Grantors to cure such default, require that Grantors thereafter pay to Beneficiary on a monthly basis 1/12th of the amount of such taxes and assessments which Beneficiary reasonably estimates will be due and payable on the next following annual payment date which Beneficiary will hold in a regular interest-bearing savings account at a federally-insured financial institution and deliver to the tax collector within a reasonable time after those taxes or assessments become due. In the event that the estimates, plus the interest earned thereon, are not sufficient to pay the taxes or assessments, Grantors will immediately pay to Beneficiary the amount of the deficiency so that taxes and assessments can be paid when due. The failure to pay taxes or assessments or to pay the estimates or the deficiency is a material default regardless of any other event of default.

3. Grantor will obtain from one or more responsible, licensed insurance companies and pay the premiums for and thereafter keep in full force and effect policies of (a) fire insurance, with extended coverage endorsement, in a coverage amount equal to the full replacement value for the residence, exclusive of foundations and (b) public liability and property damage insurance with reasonable deductible and coverage provisions. The fire insurance policy shall have such other terms, conditions and endorsements reasonably acceptable to Beneficiary, including a provision which requires at least 30 days advance written notice to Beneficiary before cancellation or a material change, and shall name Beneficiary as an additional insured. Grantor will give Beneficiary written notice of the occurrence of any event covered by insurance promptly after such occurrence. Grantor authorizes Beneficiary to participate with Grantor in any discussions with the fire insurance company as to payment of claims. It is agreed that all money received from claims on fire insurance will be used only for repair or replacement of damaged buildings and improvements or for prepayment of the financial obligations secured by this trust deed.

4. Grantor will keep the residence, landscaping and driveway in reasonably good and functional condition and repair and free of debris. Grantor will perform all such work in a good and workmanlike manner using first class materials and will ensure that all lienable charges relating thereto are promptly paid. Grantor will not remove buildings or improvements now located on the real property or engage in substantial improvements or remodeling without Beneficiary's prior written consent; provided, however that Grantors may make substantial improvements or remodel without any additional consent as long as (a) Grantor have on deposit funds sufficient to pay for such work when payment is due and (b) the value and utility of the real property following completion of the work will equal or exceed its value and utility prior to such work.

5. Grantor will comply with all laws, regulations and orders applicable to the real property and its use and occupancy. Without limiting the foregoing, Grantor will not allow the real property to become a public or private nuisance or allow it to be used for any illegal activities or purpose whatsoever including, but not limited to, production, storage or disposal of controlled substances or hazardous wastes.

6. Grantor will pay when due all charges for all utilities services provided to the real property including sewer, garbage disposal, water, gas and electrical service.

7. Grantor will allow Beneficiary to enter the real property and all buildings included therein at all reasonable times to inspect the property to verify compliance with the terms and conditions of this trust deed.

8. Grantor will indemnify, defend and hold Beneficiary harmless from and against all claims, loss, liability and expense, including reasonable attorney fees and costs, in any way arising from or related to Grantor's failure to comply with the foregoing covenants or Grantor's ownership, improvement or use of the real property. This indemnity will survive any conveyance of the real property to Beneficiary or any reconveyance of the real property by Trustee. In the event Grantor fails to pay taxes and assessments, insurance premiums and utilities costs or fails to comply with governmental regulations or to properly maintain the real property, Beneficiary may do so upon 30 days' advance notice to Grantor and any amount paid, plus interest thereon at the interest rate disclosed above from the date of disbursement, shall be part of the obligations secured by this trust deed.

Default; Remedies

TIME IS OF THE ESSENCE. Grantor shall be in default without notice or demand under any one or more of the following circumstances:

1. Grantor fails to make any installment payment on the financial obligations secured by this trust deed when due.

2. Grantor fails to obtain and maintain insurance coverage as required above or fails to pay when due taxes and assessments or any other charges which could result in a lien against the real property.

3. Grantor fails to comply with any non-financial covenant.

4. Grantor conveys by sale, lease, mortgage, assignment or other direct or indirect conveyance or encumbrance the real property or any significant part thereof or interest therein to any other person (including individuals and organizations) without Beneficiary's prior written consent.

5. Grantor becomes the subject of insolvency proceedings.

In the event of Grantor's default, Beneficiary will send a written notice to Grantor and Grantor will have thirty (30) days to cure the default described in the notice. Lender is not obligated to send to Borrower a notice of default more than twice in any one year period. If Grantor fails to cure the default described in the notice within such thirty (30) day period, Beneficiary may, but shall not be obligated to, accelerate (i.e., make immediately due and payable) all financial obligations secured by this trust deed and foreclose this trust deed by advertisement and sale or by judicial proceedings as a mortgage and may repossess and dispose of personal property as a part of that proceeding; provided, however, that if the default is of such a nature that cure cannot be completed within the 30-day period, then the 30-day period shall be extended as long as reasonably necessary as long as Grantors have substantially commenced the curative action within that period and are proceeding diligently and steadily toward completion of such action.

SEE PAGES 1 AND 3 FOR ADDITIONAL IMPORTANT TERMS

BOLM DENNIS
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04/17/96 12:13
72-41108

Initial(s) ACK X ACK
Page 2 of 3

EXHIBIT "A"

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Lot 3, MALFAIT SHORT PLAT NO. 3, in the West half of Section 32, Township 2 North, Range 5 East of the Willamette Meridian, in the County of Skamania, State of Washington, according to the plat thereof, recorded in Book 2, Page 220, Skamania County Short Plat Records.

BOLM
42 BOBBIT ROAD
WASHOUGAL, WA 98671

960711227110

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; 16.8. 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. **Possessor 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 alienation by Grantor of the right to remove any lumber, 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.

2.8 **Construction Loan.** If some or all of the proceeds of the loan creating the indebtedness are to be used to construct or complete construction of any improvement on the Property, the improvement shall be completed within six months from the date of this Deed of Trust and Grantor shall pay in full all costs and expenses in connection with the work.

2.9 **Hazardous Substances.** Grantor represents and warrants that the Property has not been and will not be, during the period this deed remains a lien on the Property, used for the creation, manufacture, treatment, storage, or disposal of any hazardous substance, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and other applicable federal and state laws or regulations and amendments. Grantor authorizes Credit Union and its agents to enter upon the Property to make such inspections and tests as Credit Union may deem appropriate to determine compliance of the Property with this paragraph. Credit Union's inspections and tests shall be for Credit Union's purposes only and shall not be for the benefit or create any duty or liability to Grantor or any third party. Grantor agrees to indemnify and hold Credit Union harmless against any and all claims and losses including attorney fees resulting from a breach of this paragraph, which shall survive the payment of the indebtedness and satisfaction of this Deed of Trust.

3. **Taxes and Liens.**

3.1 **Payment.** Grantor shall pay when due before they become delinquent all taxes and assessments levied against or on account of the 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 Property free of any liens having priority over or equal to the interest of Credit Union under this Deed of Trust, except for the lien of taxes and assessments not due, except for the prior indebtedness referred to in Section 17, and except as otherwise provided in Subsection 3.2.

3.2 **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 Credit Union's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within 15 days after the lien arises or, if a lien is filed, within 15 days after Grantor has notice of the filing, secure the discharge of the lien or deposit with Credit Union, cash or a sufficient corporate surety bond or other security satisfactory to Credit Union in an amount sufficient to discharge the lien plus any costs, attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien.

3.3 **Evidence of Payment.** Grantor shall upon demand furnish to Credit Union evidence of payment of the taxes or assessments and shall authorize the appropriate county official to deliver to Credit Union at any time a written statement of the taxes and assessments against the Property.

3.4 **Notice of Construction.** Grantor shall notify Credit Union at least 15 days before any work is commenced, any services are furnished, or any materials are supplied to the Property if a construction lien could be asserted on account of the work, services, or materials, and the cost exceeds \$5,000 (if the Property is used for nonresidential or commercial purposes) or \$1,000 (if the Property is used as a residence). Grantor will on request furnish to Credit Union advance assurances satisfactory to Credit Union that Grantor can and will pay the cost of such improvements.

3.5 **Tax Reserves.** Subject to any limitations set by applicable law, Credit Union may require Borrower to maintain with Credit Union reserves for payment of taxes and assessments, which reserves shall be created by advance payment or monthly payments of a sum estimated by Credit Union to be sufficient to produce, at least 15 days before due, amounts at least equal to the taxes and assessments to be paid. If 15 days before payment is due the reserve funds are insufficient, Borrower shall upon demand pay any deficiency to Credit Union. The reserve funds shall be held by Credit Union as a general deposit from Borrower and shall constitute a non-interest bearing debt from Credit Union to Borrower, which Credit Union may satisfy by payment of the taxes and assessments required to be paid by Borrower as they become due. Credit Union does not hold the reserve funds in trust for Borrower, and Credit Union is not the agent of Borrower for payment of the taxes and assessments required to be paid by Borrower.

4. **Property Damage Insurance.**

4.1 **Maintenance of Insurance.** Grantor shall procure and maintain policies of fire insurance with standard all-risk extended coverage endorsements on a replacement basis for the full insurable value basis covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a mortgagee's loss payable clause in favor of Credit Union. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Credit Union. Grantor shall deliver to Credit Union certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of 10 days' written notice to Credit Union.

4.2 **Application of Proceeds.** Grantor shall promptly notify Credit Union of any loss or damage to the Property. Credit Union may make proof of loss if Grantor fails to do so within 15 days of the casualty. Credit Union may, at its election, apply the proceeds to the reduction of the indebtedness or the restoration and repair of the Property. If Credit Union elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Credit Union. Credit Union shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default hereunder. Any proceeds which have not been paid out within 180 days after their receipt and which Credit Union has not committed to the repair or restoration of the Property shall be used to prepay first accrued interest and then principal of the indebtedness. If Credit Union holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Grantor.

4.3 **Unexpired Insurance at Sale.** Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Deed of Trust at any trustee's or other sale held under the provision contained within, or at any foreclosure sale of such Property.

4.4 **Compliance with Prior Indebtedness.** During the period in which any prior indebtedness described in Section 17 is in effect, compliance with the insurance provisions contained in the instrument evidencing such prior indebtedness shall constitute compliance with the insurance provisions under this Deed of Trust to the extent compliance with the terms of this Deed of Trust would constitute a duplication of insurance requirements. If any proceeds from the insurance become payable on loss, the provisions in this Deed of Trust for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the prior indebtedness.

4.5 **Association of Unit Owners.** In the event the Real Property has been submitted to unit ownership pursuant to a Unit Ownership Law, or similar law for the establishment of condominiums or cooperative ownership of Real Property, the insurance may be carried by the association of unit owners in Grantor's behalf, and the proceeds of such insurance may be paid to the association of unit owners for the purpose of repairing or reconstructing the Property. If not so used by the association, such proceeds shall be paid to Credit Union.

4.6 **Insurance Reserves.** Subject to any limitations set by applicable law, Credit Union may require Borrower to maintain with Credit Union reserves for payment of insurance premiums, which reserves shall be created by monthly payments of a sum estimated by Credit Union to be sufficient to produce, at least 15 days before due, amounts at least equal to the insurance premiums to be paid. If 15 days before payment is due the reserve funds are insufficient, Borrower shall upon demand pay any deficiency to Credit Union. The reserve funds shall be held by Credit Union as a general deposit from Borrower and shall constitute a non-interest bearing debt from Credit Union to Borrower, which Credit Union may satisfy by payment of the insurance premiums required to be paid by Borrower as they become due. Credit Union does not hold the reserve funds in trust for Borrower, and Credit Union is not the agent of Borrower for payment of the insurance premiums required to be paid by Borrower.

5. **Expenditure by Credit Union.**

If Grantor fails to comply with any provision of this Deed of Trust, including the obligation to maintain the prior indebtedness in good standing as required by Section 17, Credit Union may at its option on Grantor's behalf pay amounts to cure any default in the prior indebtedness and any amount that it expends in so doing shall be added to the indebtedness. Amounts so added shall be payable in accordance with the terms of the indebtedness. The rights provided for in this section shall be in addition to any other rights or any remedies to which Credit Union may be entitled on account of the default. Credit Union shall not by taking the required action cure the default so as to bar it from any remedy that it otherwise would have had.

6. **Warranty; Defense of Title.**

6.1 **Title.** Grantor warrants that it holds marketable title to the Property in fee simple free of all encumbrances other than those set forth in Section 17 or in any policy of title insurance issued in favor of Credit Union in connection with the Deed of Trust.

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 Credit Union or Trustee under this Deed of Trust, Grantor shall defend the action at Grantor's expense.

7. **Condemnation.**

7.1 **Application of Net Proceeds.** If all or any part of the Property is condemned, Credit Union may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees necessarily paid or incurred by Grantor, Credit Union, or Trustee in connection with the condemnation.

7.2 **Proceedings.** If any proceedings in condemnation are filed, Grantor shall promptly notify Credit Union in writing and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award.

8. **Imposition of Tax By State.**

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

- A specific tax upon trust deeds or upon all or any part of the indebtedness secured by a trust deed or security agreement.
- 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 or security agreement.
- A tax on a trust deed or security agreement chargeable against the Credit Union or the holder of the Agreement secured.
- A specific tax on all or any portion of the indebtedness or on payments of principal and interest made by a Grantor.

9. **Power 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 Property upon the request of Credit Union and Grantor:

- Join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights in the public.
- Join in granting any easement or creating any restriction on the Real Property.
- Join in any subordination or other agreement affecting this Deed of Trust or the interest of Credit Union under this Deed of Trust.

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, Credit Union, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

10. **Transfer by Grantor.**

10.1 **Consent by Credit Union.** Grantor shall not transfer or agree to transfer all or part of Grantor's interest in the Property without the prior written consent of Credit Union. Any attempt to transfer shall entitle the Credit Union to terminate and accelerate the indebtedness under this Deed of Trust.

A "sale or transfer" means the conveyance of real property or any right, title, or interest therein, whether legal or equitable, whether voluntary or involuntary, by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three years, lease-option contract, or any other method of conveyance of real property interest. If any Borrower is a corporation, transfer also includes any change in ownership of more than 25% of the voting stock of Borrower.

If Grantor or prospective transferee applies to Credit Union for consent to a transfer, Credit Union may require such information concerning the prospective transferee as would normally be required from the new loan applicant.

10.2 **Effect of Consent.** If Credit Union consents to one transfer, that consent 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, Credit Union may agree to any extension of time for payment or modification of the terms of this Deed of Trust or the Agreement or waive any right or remedy under this Deed of Trust or the Agreement without relieving Grantor from liability. Grantor waives notice, presentment, and protest with respect to the indebtedness.

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)

☒ XX Trust Deed
☐ Mortgage
☐ Land Sale Contract

Other (Specify) _____

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The prior obligation has a current principal balance of \$ _____ and is in the original principal amount of \$ _____

17.2 Default. 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:

Dale Scheel

Dale Scheel

GRANTOR:

Christina Scheel

Christina Scheel

INDIVIDUAL ACKNOWLEDGMENT

STATE OF WASHINGTON)

) ss.

County of Clark)

On this day personally appeared before me Dale Scheel and Christina Scheel

to me known to be (or in California, personally known to me or proved to me on the basis of satisfactory evidence to be) the individual, or individuals described in and who executed the within and foregoing instrument, and acknowledged that they he signed the same as their

free and voluntary act and deed, for the uses and purposes therein mentioned. Given under my hand and official seal this 29 day of May

19 96

By: *Danette L. Nichols*

Notary Public in and for the State of: Washington

Residing at: Vancouver

My commission expires: July 31, 1999

DANETTE L. NICHOLS
 NOTARY PUBLIC
 STATE OF WASHINGTON
 COMMISSION EXPIRES
 JULY 31, 1999

REQUEST FOR FULL RECONVEYANCE

(To be used only when obligations have been paid in full)

To: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by the Deed of Trust have been fully paid and satisfied. You are hereby directed, on payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to statute, to cancel all evidence of indebtedness secured by this Deed of Trust (which are delivered to you herewith together with the Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of the Deed of Trust, the estate now held by you under the Deed of Trust. Please mail the reconveyance and related documents to:

Date: _____, 19 _____

Credit Union: _____

By: _____

As: _____