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FILED FOR RECORD  
SKAMANIA CO. WASH  
BY *Dunn Carney Allen*  
*et al*  
JUL 2 3 35 PM '01  
*J. Lowry*  
AUDITOR  
GARY H. OLSON

When recorded return to:

James M. Hillas  
Dunn Carney Allen Higgins & Tongue LLP  
851 S.W. 6<sup>th</sup> Avenue, Suite 1500  
Portland, OR 97204

Proposed \_\_\_\_\_  
Recorded \_\_\_\_\_  
Noted \_\_\_\_\_  
Filed \_\_\_\_\_

DEED OF TRUST

**Grantor:** JOSEPH L. GAMBLE AND SANDRA J. GAMBLE  
**Grantee/Trustee:** FIRST AMERICAN TITLE COMPANY OF CLARK COUNTY  
**Grantee/Beneficiary:** CARSON OIL COMPANY, INC.  
**Abbreviated Legal Description:** Lot C-38, Plat of North Bonneville, County of Skamania,  
State of Washington; complete legal description on  
page 6.  
**Assessor's Property Tax Parcel/Account Number(s):** 02-07-20-1-3-0800-00

THIS DEED OF TRUST is made this 19<sup>th</sup> day of June, 2001, between Joseph L. Gamble and Sandra J. Gamble, whose address is 152 Lake Shore Drive, Skamania, Washington ("Grantor"), First American Title Company of Clark County whose address is 1014 Main Street, Vancouver, Washington 98660, ("Trustee"), and Carson Oil Company, whose address is 3125 NW 35<sup>th</sup>, P.O. Box 10948, Portland, OR 97296 ("Beneficiary").

**WITNESSETH:** Grantor hereby grants, bargains, sells and conveys to Trustee in Trust, with power of sale, the real property ("Property") in Skamania County, Washington legally described in Exhibit 1 attached together with all the tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in any way appertaining thereto including but not limited to any rights to any minerals or quarry rock, all improvements thereon, and the rents, issues and profits thereof.

1 - DEED OF TRUST

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This Trust Deed is for the purpose of securing the performance of Grantor under that certain Note in the face amount of Twenty Thousand and No/100s Dollars (\$20,000.00) dated concurrently herewith which is due and payable on January 1, 2001 and modifications and extensions of that Note (the "Note").

Grantor warrants and represents to Beneficiary that the Property is not used principally for agricultural purposes, and that the indebtedness secured by this Deed of Trust was not made primarily for personal, family or household purposes.

Grantor warrants and represents to Beneficiary that Grantor is the absolute legal and equitable owner of, and has good and marketable title to, the Property free of all liens, claims, security interests, encumbrances, easements or restrictions whatsoever. Grantor has full power and authority to grant, bargain, sell and convey the Property in the manner set forth in this Deed of Trust. This Deed of Trust is and shall remain a valid and enforceable lien on the Property. Grantor and its successors and assigns shall warrant and defend such title forever against all claims and shall promptly perform all of the obligations to be performed under this Deed of Trust. Grantor shall furnish to Beneficiary written notice of any litigation, lien or notice of default affecting the Property or any portion thereof, within three days of initial receipt of notice of such litigation, lien or default.

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

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



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

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

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

7. Grantor will not cause or suffer all or any part of its interest in the Property to be transferred, voluntarily or involuntarily, to any person or entity, without Beneficiary's prior written.

IT IS MUTUALLY AGREED THAT:

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

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

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

4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee or Trustee's authorized agent, shall sell the trust Property, in accordance with the Deed of Trust Act of the State of Washington (as amended), at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale.

3 - DEED OF TRUST

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Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto or shall be deposited (less clerk's filing fee) with the clerk of the superior court of the county in which the sale takes place.

5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the Property which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrances for value.

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

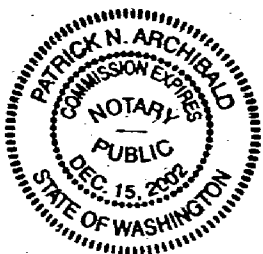
7. In the event of the death, incapacity, disability or resignation of Trustee, Beneficiary shall appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with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

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



9. Beneficiary agrees to subordinate its interest in the property to any security interest of any lender who provides financing to Margaux, Inc. pursuant to paragraph 1 of the Settlement Agreement between Margaux, Inc. and Carson Oil Company, Inc.

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



GRANTOR:  
Joseph L. Gamble  
Sandra J. Gamble  
 Joseph L. Gamble  
 Sandra J. Gamble

STATE OF WASHINGTON )  
 County of Clark ) ss.

On this day personally appeared before me Joseph L. Gamble, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

DATED this 19 day of June, 2001.

[Signature]  
 Notary Public in And For the State of Washington  
 My appointment expires: 12/15/02

STATE OF WASHINGTON )  
 County of Clark ) ss.

On this day personally appeared before me Sandra J. Gamble, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

DATED this 19 day of June, 2001.

[Signature]  
 Notary Public in And For the State of Washington  
 My appointment expires: 12/15/02

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**EXHIBIT 1**

**Legal Description**

Lot C-38, Plat of Relocate North Bonneville - CBD, Sheet 9 and 10, recorded in Book "B" of Plats, Page 15 under Skamania County File No. 83466, also recorded in Book "B" of Plats, Page 31, under Skamania County File No. 84429, in the County of Skamania, State of Washington.

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