

After recording, return to:

Eran & Gloria Howell
PO Box 966
Stevenson, Wa. 98648

SCIC 26335

Space Above for Recording Information Only

DEED OF TRUST

1. Effective Date. February 12, ~~2003~~ 2004
2. Grantors. NORM HAIGHT and MARY TODD HAIGHT, husband and wife, hereinafter collectively referred to as "Grantor"
3. Trustee. SKAMANIA COUNTY TITLE COMPANY
P.O. Box 277
Stevenson, Wa. 98648
4. Beneficiary. ERAN HOWELL and GLORIA HOWELL, husband and wife.

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

S2, T2N, R7E. Full legal is on the attached Exhibit A. on Page 8.
No. 02-07-02-1-1-0600-00

a portion of which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter belonging or appertaining thereto, and the rents, issues and profits thereof.

6. This deed is for the purpose of securing performance of each agreement of grantor herein contained, and payment of the sum of ONE HUNDRED FORTY-FIVE THOUSAND AND NO/100 DOLLARS (\$145,000.00) with interest at the rate of six percent (6%), in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor and all renewals, modifications and extensions thereof, and also such further

sums as may be advanced or loaned by Beneficiary to Grantor, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

7. The Grantors intend to apply to the City of Stevenson to short plat the property into four (4) lots, all of which will be encumbered by this Deed of Trust. The Grantors plan to create 3 vacant lots ("vacant lots") and shall retain the existing house on a lot that is a minimum of 1.75 acres ("existing house"). To the extent necessary, the Beneficiaries will cooperate with the Grantors by notifying the City of its consent to the short plat of the property.

Notwithstanding paragraph 8 below, the Grantors may sell the vacant lots, not to include the lot with the existing home, provided all of the proceeds from the sales (less 15% to cover any selling costs) be applied directly to reduce the outstanding principle and interest due on the promissory note referred to in paragraph 6 above. Upon the Grantors request, the Beneficiaries, or the Trustee upon the Beneficiaries' approval, shall, as part of the closing of the Grantors' sale of any vacant lot, release the vacant lot from this Deed of Trust, unless the Beneficiaries have determined that the remaining property does not provide sufficient collateral to secure the promissory note. The Grantors shall be responsible for all costs associated or involved with the sale of the property and/ or to complete and/ or record the necessary documents to partially release this Deed of Trust.

If, at any time, the balance on the promissory note referred to in paragraph 6, including principle and interest, is equal to or less than \$90,000.00, the Grantors shall be entitled to a partial release of the Deed to remove the Deed of Trust on the vacant lots, unless the Beneficiaries have determined that the remaining property (the lot and existing home) does not provide sufficient collateral to secure the promissory note. If the balance of the promissory, including principle and interest is ever reduced to \$90,000.00 or less, the Grantors may, upon providing thirty (30) days' written notice to the Trustee and the Beneficiaries, reduce their monthly payment for the remaining term of the promissory note from \$869.35 per month to \$539.60 until paid.

8 DUE ON SALE. Except as provided in paragraph 7 above, the Grantors shall not sell, transfer, or otherwise convey the property or any interest therein, further encumber the property or any interest therein, cause any change in the entity, ownership or control of the Grantors or agree to do any of the foregoing, without first repaying in full the note and all other sums secured hereby. If Grantors', without the Beneficiaries' written consent, convey, sell, lease, assign, contract to convey, see, lease or grant an option to buy the property or permit a forfeiture or foreclosure or trustee or sheriff's sale of any of the Grantors' interest in the property or this contract, The beneficiaries may, at any time thereafter, either raise the interest rate on the balance of the promissory note or declare the entire balance of the promissory note due and payable.

Notwithstanding the above, a lease of less than 3 years (including one 1-year option for renewal), a transfer to a spouse or child of Grantors, a transfer incident to a marriage dissolution and/ or a transfer by inheritance will not entitle Beneficiaries to raise the interest rate on the balance of the

promissory note or declare the entire balance of the promissory note due and payable pursuant to this paragraph; provided, the transferee, other than a condemnor, agrees in writing that the provisions of this paragraph apply to any subsequent transaction involving the property entered into by the Grantors, their assigns or transferees.

MTX
Buyers initials

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, Grantor covenants and agrees:

9. To keep the property in good condition and repair; to permit no waste thereof; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.
10. 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.
11. 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 90,000. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary as its interest may appear and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
12. 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 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.
13. 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.
14. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

15. 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.

16. 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.

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

18. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington (as amended), at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fees; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto or may be deposited (less clerk's filing fee) with the clerk of the superior court of the county in which sale takes place.



19. 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 encumbrancers for value.

20. 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.


21. In the event of the death, incapacity, disability or resignation of Trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee

shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Trustee or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

22. 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 note secured hereby, whether or not named as Beneficiary herein.

NORM HAIGHT



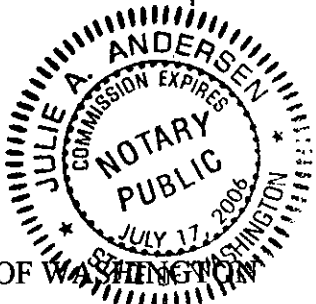
MARY TODD HAIGHT

STATE OF WASHINGTON)

COUNTY OF SKAMANIA)

I certify that I know or have satisfactory evidence that Norm Haight is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 2/11/04



Julie A. Andersen

Notary Public in and for the State of Washington,
residing at Carson

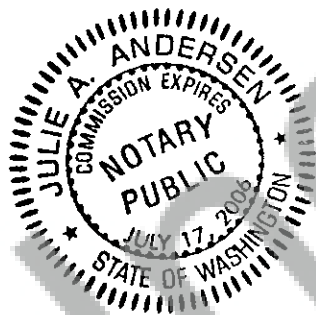
My appointment expires: 7-17-2006

STATE OF WASHINGTON)

COUNTY OF SKAMANIA)

I certify that I know or have satisfactory evidence that Mary Todd Haight is the person who appeared before me, and said person acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 2/11/04



Julie A. Andersen

Notary Public in and for the State of Washington,
residing at Carson

My appointment expires: 7-17-2006

REQUEST FOR FULL RECONVEYANCE

(Do not record. To be used only when note has been paid.)

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

DATED:

Mail reconveyance to:

EXHIBIT 'A'

PARCEL I

A tract of land in the Northeast Quarter of the Northeast Quarter of Section 2, Township 2 North, Range 7 East, of the Willamette Meridian, in the County of Skamania, State of Washington, described as follows:

Beginning at a point on the East line of Section 2, Township 2 North, Range 7 East of the Willamette Meridian, 149 feet North of a brass cap marking the intersection of the North line of the Baughman D.L.C. with the East line of the said Section 2; thence West 180 feet; thence North 420 feet, more or less, to intersection with the center line of the county road know and designated as the Red Bluff Road; thence following the center line of said road in an Easterly direction to intersection with the East line of said Section 2; thence South along the East line of the said Section 2 to the point of beginning;

SUBJECT TO easements and rights of way for public roads over and across the above described real property; AND

Beginning at a point on the East line of Section 2, Township 2 North, Range 7 East of the Willamette Meridian 146 feet North of a brass cap marking the intersection of the North line of the Baughman D.L.C. with the East line of the said Section 2; thence West 180 feet; thence North 3 feet; thence East 180 feet to intersection with the East line of said Section 2; thence South 3 feet along the East line of said Section 2 to the point of beginning;

SUBJECT TO easements and rights of way for public roads over and across the above described real property; AND

Beginning at a point on the East line of Section 2, Township 2 North, Range 7 East of the Willamette Meridian, 146 feet North of a brass cap marking the intersection of the North line of the Baughman D.L.C. with the East line of the said Section 2; thence West 180 feet to the initial point of the tract hereby described; thence West 170.7 feet to a point South of the Southeast corner of a tract of land conveyed to the Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-Day Saints by deed dated December 10, 1962; thence North following the East line of said tract 359.71 feet, more or less, to the center line of the county road known and designated as the Red Bluff Road; thence in an Easterly direction following the center line of said road 185.28 feet, more or less, to a point North of the initial point; thence South 432.08 feet, more or less, to the initial point;

EXCEPT easement and right of way for the Red Bluff Road aforesaid.

PARCEL II

A parcel of land located in the Northwest Quarter of the Northwest Quarter of Section 1, Township 2 North, Range 7 East of the Willamette Meridian, in the County of Skamania, State of Washington, described as follows:

Beginning at a point on the West line of said Section 1 which lies North 0°00'46" West, 395.33 feet from the North line of the Baughman D.L.C.; thence South 54°09'04" East, 29.18 feet to the Westerly edge of Attwell County Road, being a point on a curve concave to the Southeast and having a radius of 405 feet; thence Southwesterly along said curve a distance of 43.73 feet through a central angle of 6°11'10" (the chord of which is South 32°44'48" West, 43.71 feet) to the West line of said Section 1; thence North 0°00'46" West, 53.85 feet to the point of beginning.