

AFTER RECORDING MAIL TO:  
Clark County Title Company  
1400 Washington Street, Ste 100  
Vancouver, WA 98660  
Attn: Contract Collection Dept.  
Escrow No.:00111984

**DEED OF TRUST**  
*(For Use In The State Of Washington Only)*

THIS DEED OF TRUST, made this 15 day of December, 2006, between SHELLEY MOORE, an unmarried woman and NATHAN LEEK and DEBBIE LEEK, husband and wife, GRANTOR, whose address is 3700 NE 162ND AVENUE STE 11, VANCOUVER, WA 98682, CLARK COUNTY TITLE COMPANY, a Washington corporation, TRUSTEE, whose address is 1400 Washington Street, Suite 100, Vancouver Wa 98660, and SHAHALA FALLS LLC, a Washington Limited Liability Company, BENEFICIARY, whose address is 1701 BROADWAY PMB 289VANCOUVER, WA 98663.

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

See Exhibit 'C' attached hereto and made a part hereof.

Abbreviated Legal: #100, #103, #2900 Section 36, Township 3N, Range 7E

Tax Parcel Number(s): 03-07-36-2-0-2900-00, 03-07-36-2-3-0103-00, 03-07-36-2-3-0100-00

which real property is not used principally for agricultural or farming purposes, together with all tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof.

This deed is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the sum of **Three Hundred Sixty Thousand And 00/100 Dollars (\$360,000.00)** with interest, 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.

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 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.
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 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.
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 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:

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 Trustees 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.

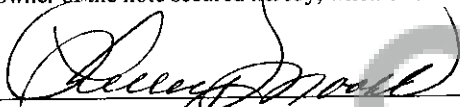
4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, 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 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.

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 or 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.

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

  
SHELLEY MOORE

  
NATHAN LEEK

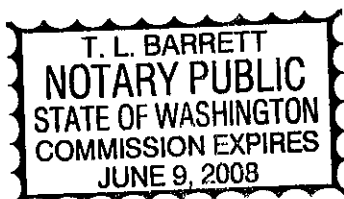
  
DEBBIE LEEK

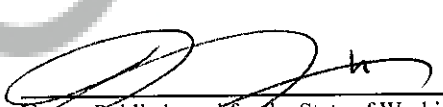
STATE OF WASHINGTON  
COUNTY OF CLARK

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I certify that I know or have satisfactory evidence that **SHELLEY MOORE** are the persons who appeared before me, and said persons acknowledged that **she** signed this instrument and acknowledged it to be **her** free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: 12/13/06

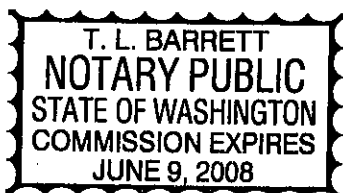



  
Notary Public in and for the State of Washington  
Residing at **Vancouver**  
My appointment expires: **June 9, 2008**

I certify that I know or have satisfactory evidence that **NATHAN LEEK and DEBBIE LEEK** are the persons who appeared before me, and said persons acknowledged that **they** signed this instrument and acknowledged it to be **their** free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: \_\_\_\_\_

12/14/06  
(TB)



  
Notary Public in and for the State of Washington  
Residing at **Vancouver**  
My appointment expires: **June 9, 2008**

**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 \_\_\_\_\_

**SHAHALA FALLS LLC**

By: **David A. Cannard, Managing Member**

Note and Deed of Trust  
Exhibit A  
Deed Release Provisions

Deed releases shall be available on demand at the rate of \$50,000 per acre. Down payment and all other scheduled and unscheduled principal payments shall apply toward deed releases.

No deed releases shall be requested or granted that would interfere with access to Ryan Allen Road.

READ AND APPROVED BY:

*[Signature]*  
\_\_\_\_\_

READ AND APPROVED BY:

*[Signature]* *[Signature]*  
*[Signature]*

READ AND APPROVED BY:

\_\_\_\_\_  
\_\_\_\_\_

Note and Deed of Trust  
Exhibit "B"

Minimum Payment Schedule:

December 15, 2007: \$95,400.00 principal together with 6.5% annual interest.

December 15, 2008: \$90,720.00 principal together with 6.5% annual interest.

December 15, 2009: \$86,040.00 principal together with 6.5% annual interest.

December 15, 2010: \$81,360.00 principal together with 6.5% annual interest.

December 15, 2011: \$76,880.00 principal together with 6.5% annual interest.

David A. Cannard 12-13-06  
David A. Cannard date

Shelley Moore 12-13-06  
Shelley Moore date

Nathan Leek 12-14-06  
Nathan Leek date

Debbie Leek 12/14/06  
Debbie Leek date

Exhibit C

PARCEL I

That portion of the Northwest quarter of the Southwest quarter of Section 36, Township 3 North, Range 7 East of the Willamette Meridian, Skamania County, Washington, more particularly described as follows:

BEGINNING at the Northwest corner of the Northwest quarter of the Southwest quarter of Section 36; thence South along the West line thereof to a point 20 feet South of the South bank of Rock Creek; thence Easterly and Southerly on a line parallel with and 20 feet Southerly from said South bank to the South line of the Northwest quarter of the Southwest quarter of the said Section 36; thence East to the middle of Rock Creek; thence Northerly and Westerly following the middle of said creek to its intersection with a line drawn parallel with the distant 5 chains from the East line of the Northwest quarter of the Southwest quarter of said Section 36; thence North to the North line of the Northwest quarter of the Southwest quarter of said Section 36; thence West 15 chains, more or less, to the Point of Beginning.

EXCEPT that portion lying South of a line that is 200 feet North of the high water mark of Rock Creek, measured at right angles, as disclosed by instrument recorded December 24, 1980, in Book 79, page 134, Skamania County Deed Records.

PARCEL II

A tract of land in the Northwest quarter of Section 36, Township 3 North, Range 7 East of the Willamette Meridian, Skamania County, Washington, described as follows:

BEGINNING at the quarter corner on the West line of said Section 36; thence East along the quarter section line 230 feet; thence North to the center line of the County Road known and designated as the Ryan-Allen Mill Road; thence Westerly along the center line of said road to intersection with the West line of the said Section 36; thence South to the Point of Beginning.

EXCEPT that portion thereof described as follows:

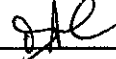


BEGINNING at the intersection of the East line of the above described tract with the Southerly right-of-way line of the Ryan-Allen Mill Road; thence South 135 feet; thence West 100 feet; thence North 135 feet, more or less, to intersection with the Southerly right-of-way line of said road; thence following said right-of-way line Easterly to the Point of Beginning.

EXCEPT that portion conveyed to Skamania County recorded July 7, 1977 in Book 72, page 974 and Book 221, page 998.

READ AND APPROVED BY:

  
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READ AND APPROVED BY:

   
  
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