

AFTER RECORDING RETURN TO:

David W. Meyer
Bullivant Houser Bailey PC
805 Broadway Street, Suite 400
Vancouver, WA 98660-3310

setc 29696

DEED OF TRUST

Grantor: Jolinda's Developers, LLC
Grantee: Stanley L. Barber and Laural L. Barber, Trustees of the Barber Revocable Living Trust
Abbreviated Legal: SEC 1 T2N R7E
Address: 376 SW Rock Creek Drive, Stevenson, WA 98648
Assessor's Tax Parcel No: 02-07-01-1-0-2502-00
Full Legal Description: See Below

THIS DEED OF TRUST, made this 6 day of August, 2007, between Jolinda's Developers, LLC, a Washington limited liability company ("Grantor"), whose address is 805 Broadway Street, Suite 400, Vancouver, WA 98660-3310; Skamania County Title Insurance Company ("Trustee"), whose address is 41 Russell St., Stevenson, WA 98648; and Stan L. and Laural L. Barber, Trustees of the Barber Revocable Living Trust ("Beneficiary"), whose address is 312 Loop Road, Stevenson, WA 98648.

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

FULL LEGAL DESCRIPTION: A tract of land located in Section 1, Township 2 North, Range 7 East, Willamette Meridian in the County of Skamania, State of Washington, more particularly described as follows:

Commencing at a point of the South line of Second Street in the Town of Stevenson 602.2 feet South (Meas. South 00°50'54" West, 602.42') and North 89°06' West 310 feet (Meas. North 88°23'48" West 310.00') from the intersection of the West line of the Henry Shepard D.L.C. with the North line of said Section 1; thence South 100 feet (Meas. South 00°50'54" West, 100.00'); thence West 50 feet (Meas. North 88°23'48" West, 50.00'); thence North 100 feet (Meas. North 00°50'54" East, 100.00') to the South line of Second Street; thence South 89°06' East 50 feet (Meas. North 88°23'48" East, 50.00') to the point of beginning.

Including thereto: the following described tract:

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

Commencing at the intersection of the West line of the Henry Shepard D.L.C. with the North line of said Section 1: thence South 00°50'54" West, 602.42 feet along the West line of said Henry Shepard D.L.C. to the Southerly extension of the South right-of-way of Second Street; thence North 88°23'48" West, 310.00 feet along the Southerly right-of-way of Second Street; thence South 00°50'54" West, 100.00 feet along the West line of that certain tract described to Laural L. Barber and Stanley L. Barber, trustees of the Barber Revocable Living Trust, recorded March 6, 2006 in Auditors File No. 2006160759 to the South east corner thereof and the Point of Beginning; thence continuing on the extension thereof South 00°50'54" West, 10 feet; thence South 88°23'48" East, 32.00 feet; thence South 00°50'54" West, 34.61 feet more or less to the Northerly right-of-way of State Route 14; thence Southwesterly along a tangent curve concave Northwesterly and having a radius of 1960.0 feet; thence Southwesterly, along said tangent curve through a central angle of 0°11'07", an arc length of 6.34 feet, a chord that bears South 46°13'59" West, 6.34 feet; thence North 81°33'40" West, 47.03 feet; thence North 34°15'00" West, 53.68 feet to the Southwest corner of said Barber Tract; thence South 88°23'06" East, 50.00 feet along the south line of said Barber tract, back to the point of beginning.

which real property is not used principally for agricultural or farming purposes, together with all the 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 One Hundred Sixty-Five Thousand and 00/100 Dollars (\$165,000.00) 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, modification and extensions thereof.

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

1. To keep the property in good condition and repair; to permit no waste thereon 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; and to keep the property free and clear of all other charges, liens, mortgages, 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. All policies shall be utilized toward restoring the property, but shall otherwise 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. 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 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 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 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 of Grantor in the payment of any indebtedness secured hereby or in the performance of 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 the 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 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. The 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/her/their execution of this Deed of Trust, and such as he/she/they may have acquired thereafter. The 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* purchaser 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 or pursue any other remedy available under Washington State law.

7. 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.

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

9. Grantor agrees to reimburse Beneficiary for all costs, expenses, and reasonable attorney's fees that Beneficiary incurs in connection with the realization or enforcement of any obligation or remedy contained in the Note, this Deed of Trust or other related documents, with or without litigation, including without limitation any costs, expenses, and fees incurred: (a) in any foreclosure, trustee's sale or deed in lieu of foreclosure or trustee's sale; (b) on appeal; (c) in any petition for review; (d) in any arbitration or mediation; (e) in any action contesting or seeking to restrain, enjoin, stay, or postpone the exercise of any remedy in which Beneficiary prevails; (f) in any bankruptcy, probate, receivership or other proceeding involving Grantor; and (g) in connection with all negotiations, documentation, and other actions relating to any work-out, compromise, settlement or satisfaction of the debt secured hereby or settlement of any debt secured by this Deed of Trust or which is evidenced by the Note or related documents. All such costs, expenses, and fees shall be due and payable upon demand, shall bear interest from the date incurred through the date of collection at the default rate stated in the Note and shall be secured by this Deed of Trust.

DATED this 6 day of August, 2007.

Jolinda's Developers, LLC, (Grantor)

By Linda Jean Strandemo, Member
Linda Jean Strandemo, Member

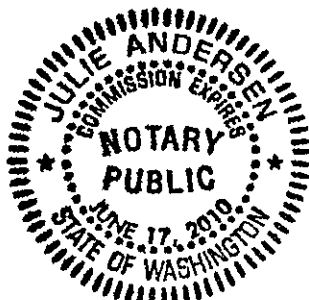
STATE OF WASHINGTON)

:ss.

County of Skamania)

On this 6 day of August, 2007, before me personally appeared Linda Jean Strandemo to me known to be a member of Jolinda's Developers, LLC, the limited liability company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability company for the uses and purposes therein mentioned, on oath stated that she was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set me hand and affixed my official seal the day and year first above written.



Julie Andersen
Notary Public in and for the State of Washington
Residing at: Carson

My Commission Expires: 6/17/2010

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