

WHEN RECORDED RETURN TO:

BANK OF AMERICA, N.A.  
HOME BUILDER DIVISION (WA3-504-04-01)  
10500 N.E. 8TH STREET, SUITE 400  
BELLEVUE, WA 98004  
ATTN: LOAN ADMINISTRATION

28954 \_\_\_\_\_ Loan No. \_\_\_\_\_

Document Title: **MODIFICATION OF DEED OF TRUST AND CROSS-COLLATERALIZATION AGREEMENT** K57-0026719  
CW 6210416

Grantor: **BANNER PROPERTIES, INC., a Washington corporation**

Grantee: **BANK OF AMERICA, N.A., a national banking association**

Legal Description:

Abbreviated: (i) NE ¼ SEC 28 T2N R5E, and (ii) LOT 2 of SP3-297

Full Legal Description: See Exhibit "A" of referenced documents

Assessor's Tax Parcel No(s): 0(i) 2-05-28-1-0-0210-00, and (ii) 02-05-35-0-0-0802-00

Reference No(s) of Affected Document(s): (i) 2006162556, 2006162877, and 2006164053, and (ii) 2006162594

**MODIFICATION OF DEED OF TRUST AND  
CROSS-COLLATERALIZATION AGREEMENT**

THIS MODIFICATION OF DEED OF TRUST AND CROSS-COLLATERALIZATION AGREEMENT ("**Agreement**") is made as of July 30, 2008, by and between **BANNER PROPERTIES, INC.**, a Washington corporation ("**Grantor**"), and **BANK OF AMERICA, N.A.**, a national banking association ("**Beneficiary**"), with respect to those certain Deeds of Trust, Security Agreements and Fixture Filings executed by Grantor, as grantor in trust to PRLAP, Inc., as trustee, for the benefit of Beneficiary, as beneficiary, (i) dated August 1, 2006, which was recorded on August 7, 2006, in the Official Records of Skamania County, State of Washington, under Recording No. 2006162556, as modified under Recording Nos. 2006162877 and 2006164053, and (ii) dated August 3, 2006 which was recorded on August 10, 2006 in the Official Records of Skamania County, Washington under Recording No. 2006162594, as modified (the "**Deed of Trust**"). The terms of this Agreement relate, specifically, to all Property (as defined in the Deed of Trust) which, as of the date of this Agreement, remains subject to a lien in favor of Beneficiary as the result of the Deed of Trust.

NOTICE IS HEREBY GIVEN that Grantor, together with others, has executed and delivered to Beneficiary various Modification Letter Agreements of even date herewith. Effective on and after the date of this Agreement, Grantor hereby ratifies and affirms that effective on and after the date of this Agreement:

(a) Paragraph 3(a) of the Deed of Trust is deleted in its entirety and replaced with the following:

"(a) Payment of (i) the sum of TWENTY MILLION AND NO/100 DOLLARS (\$20,000,000.00) with interest thereon according to the terms of a Second Amended and Restated Promissory Note dated November 3, 2006 payable to Beneficiary or order and made by Grantor, and (ii) the sum of ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) with interest thereon according to the terms of a Borrowing Agreement dated July 14, 2006 payable to Beneficiary or order and made by Pacific Lifestyle Holdings, Inc. (if more than one, individually and collectively, the "**Borrower**"), including all renewals, amendments, modifications, restatements and extensions thereof (collectively, the "**Note**"). THE NOTE MAY CONTAIN PROVISIONS ALLOWING FOR THE INTEREST RATE TO BE INDEXED, ADJUSTED, RENEWED, OR RENEGOTIATED. BY THIS REFERENCE THE NOTE IS

INCORPORATED IN AND MADE A PART OF THIS DEED OF TRUST AS THOUGH SET FORTH IN FULL. If the Note evidences a revolving line of credit by Beneficiary to Borrower, then it is the express intent of Grantor and Beneficiary that this Deed of Trust and the estate held by the Trustee hereunder shall continue in effect notwithstanding that from time to time no Secured Obligations may exist, and shall survive as security for all new or additional Secured Obligations from time-to-time arising;"

(b) The following provisions are hereby added as Sections 18, 19, 20 and 21 to the Deed of Trust as if set forth therein in full:

"18. **CROSS-COLLATERALIZATION.** Pursuant to Section 7 of the Note, Grantor acknowledges that the Loan evidenced by the Note secured by this Deed of Trust is cross-defaulted with any other loan or business or financial accommodation extended by Beneficiary or any of Beneficiary's affiliates to Grantor or to any affiliate of Grantor or any guaranty thereof. Grantor further specifically acknowledges and agrees that pursuant to Section 7 of the Note, any default under this Deed of Trust or the Note which it secures will constitute a default under any and all documents (collectively, the "**Other Loan Documents**") relating to, evidencing or securing any and all loans by Beneficiary to Borrower or its affiliates, including but not limited to: (a) that certain collateral pool loan by Beneficiary to Pacific Lifestyle Holdings, Inc., which is evidenced by a First Amended and Restated Line of Credit Promissory Note dated November 30, 2006 in the sum of \$50,000,000.00 and which is secured by Deeds of Trust (i) dated November 13, 2006 which was recorded on November 22, 2006 in the Official Records of Clark County, Washington under Recording No. 4251444, (ii) dated June 27, 2007 which was recorded on August 10, 2007 in the Official Records of Clark County, Washington under Recording No. 4361154, (iii) dated May 11, 2007 which was recorded on May 29, 2007 in the Official Records of Clark County, Washington under Recording No. 4329309, (iv) dated June 12, 2007 which was recorded on June 26, 2007 in the Official Records of Clark County, Washington under Recording No. 4342719, (v) dated February 14, 2008 which was recorded on February 28, 2008 in the Official Records of Clark County, Washington under Recording No. 4427567, and (vi) dated October 5, 2007 which was recorded on October 10, 2007 in the Official Records of Lane County, Oregon under Recording No. 2007-069958 (collectively, the "**PLH Pool DOTs**"), and (b) that certain acquisition and development loan by Beneficiary to Songbird, Inc., which is evidenced by a Promissory Note dated June 1, 2006 in the sum of \$5,272,000.00 and which is secured by a Deed of Trust dated June 1, 2006 which was recorded on June 8, 2006 in the Official Records of Clark County, Washington under Recording No. 4178664 (the "**Songbird DOT**"), and (c) that certain acquisition and development loan by Beneficiary to The Reserve at Cooper Mountain, Inc., which is evidenced by a First Amended and Restated Line of Credit Promissory Note dated November 28, 2007 in the sum of \$6,206,250.00 and which is secured by a Deed of Trust dated March 27, 2007 which was recorded April 3, 2007 in the Official Records of Washington County, Oregon under Recording No. 2007-036458 (the "**Reserve DOT**"), and (d) that certain line of credit loan by Beneficiary to Pacific Lifestyle Holdings, Inc. which is evidenced by a Borrowing Agreement dated July 14, 2006 in the sum of \$1,000,000.00, and which is secured by the PLH Pool DOTs, the Songbird DOT, and the Reserve DOT, each as modified and/or amended (collectively, the "**Other Loans**") (the PLH Pool DOTs, the Songbird DOT, and the Reserve DOT are referred to collectively hereafter as the "**Other Deeds of Trust**") (the legal descriptions of the properties secured by the Other Deeds of Trust are set forth on Exhibit C attached hereto and incorporated herein by this reference). The Property secured by this Deed of Trust will constitute collateral under the Other Loans as if said property was encumbered as collateral for the Other Loans. Grantor further agrees that the property which serves as collateral under the Other Loans and which is secured by the Other Deeds of Trust, shall constitute collateral for the Loan secured by this Deed of Trust as if said property was encumbered as collateral for this Loan transaction. Thus, the collateral for the Other Loans secures the Loan evidenced by the Note secured by this Deed of Trust and the Property secured by this Deed of Trust shall also secure the Other Loans.

"19. **DISPARATE TREATMENT.** Grantor represents and warrants to Beneficiary that the entities which comprise Grantor, Pacific Lifestyle Holdings, Inc., Songbird,

Inc., and The Reserve at Cooper Mountain, Inc., collectively, are working together and are jointly engaged in a common enterprise. In furtherance of such common enterprise, Borrower understands and acknowledges that its obligations and liabilities under the Loan Documents and/or the Other Loan Documents shall not be affected by any disparate treatment among them, specifically including differing benefits and obligations under the Loan Documents or the Other Loan Documents, and such disparate treatment shall in no way effect, impair or alter each party's unconditional and continuing obligations under the Loan Documents and the Other Loan Documents, as described therein.

**"20. ACKNOWLEDGMENT AND WAIVER.** Grantor represents and warrants to Beneficiary that one or more of the grantors/borrowers for the Other Loans and/or the Other Deeds of Trust are not the same entity as Grantor. Grantor hereby waives any and all claims or defenses it may have to the cross-defaulting and cross-collateralization of this Loan and the Other Loans based on the fact that Grantor and one or more of the grantors/borrowers for the Other Loans and/or the Other Deeds of Trust are separate entities and/or individuals. Grantor acknowledges that it has received actual and sufficient consideration in exchange for the cross-defaulting and cross-collateralization of this Loan to the Other Loans and acknowledges that there is or may be disparate treatment between the Grantor and the grantors/borrowers under the Other Loans.

**"21. THIRD PARTY SECURED OBLIGATION; AUTHORIZATIONS, WAIVERS AND CONSENTS.** Grantor acknowledges and understands that Beneficiary's interest in the Loan and the Property encumbered by this Deed of Trust and in the enforcement of Borrower's obligations conflicts with Grantor's interest in the Property. Grantor understands that its pledge of the Property to Beneficiary under this Deed of Trust can involve substantial risk for Grantor and agrees that Beneficiary is not an agent, trustee or fiduciary for Grantor, and undertakes no duty, obligation or special relationship to Grantor to protect and not act adversely to Grantor's interests or to prefer Grantor's interests to those of Beneficiary or others. In furtherance thereof and without limitation thereto:

(a) As used in this Deed of Trust, **"Third Party Secured Obligation"** means (i) any Secured Obligation which is required to be performed by any person or entity other than or in addition to Grantor; and (ii) if there is more than one person or entity signing this Deed of Trust as Grantor, any Secured Obligation which is required to be performed by some but not all of such persons or entities. As used in this Section 18, **"Borrower"** means any person or entity obligated to perform any Third Party Secured Obligation.

(b) Grantor hereby unconditionally authorizes Beneficiary to perform any or all of the following acts at any time in Beneficiary's sole discretion, all without notice or consideration to or the consent of Grantor and without affecting Beneficiary's rights or Grantor's obligations under this Deed of Trust:

(i) Beneficiary may alter any terms of the Third Party Secured Obligation or any part of it, including renewing, compromising, extending or accelerating, or otherwise changing the time for payment of, or increasing or decreasing the rate of interest on, the Third Party Secured Obligation or any part of it.

(ii) Beneficiary may take and hold security for the Third Party Secured Obligation, accept additional or substituted security for the Third Party Secured Obligation, and subordinate, exchange, enforce, waive, release, compromise, fail to perfect and sell or otherwise dispose of any such security.

(iii) Beneficiary may direct the order and manner of any sale of all or any part of any security now or later to be held for the Third Party Secured Obligation, and Beneficiary may also bid at any such sale.

(iv) Beneficiary may apply any payments or recoveries from Borrower, Grantor or any other source, and any proceeds of any security, to the Third Party Secured Obligation in such manner, order and priority as Beneficiary may elect, whether that obligation is secured by this Deed of Trust or not at the time of the application.

(v) Beneficiary may release Borrower of its liability for the Third Party Secured Obligation or any part of it.

(vi) Beneficiary may substitute, add or release any one or more guarantors or endorsers.

(vii) In addition to the Third Party Secured Obligation, Beneficiary may extend other credit to Borrower, and may take and hold security for the credit so

extended.

(c) Grantor expressly agrees that until each and every term, covenant and condition of the Third Party Secured Obligations, this Deed of Trust and the other Loan Documents is fully performed, Grantor shall not be released by or because of:

(i) Any act or event which might otherwise discharge, reduce, limit or modify Grantor's obligations under this Deed of Trust;

(ii) Any waiver, extension, modification, forbearance, delay or other act or omission of Beneficiary, or its failure to proceed promptly or otherwise against Borrower, Grantor, or any other party or any security;

(iii) Any action, omission or circumstance which might increase the likelihood that Grantor may be called upon to perform under this Deed of Trust or which might affect the rights or remedies of Grantor against Borrower; or

(iv) Any dealings occurring at any time between Borrower and Beneficiary, whether relating to the Third Party Secured Obligation or otherwise.

(d) Grantor hereby expressly waives and surrenders any defense to its liability under this Deed of Trust based upon any of the foregoing acts, omissions, agreements, waivers or other matters. It is the purpose and intent of this Deed of Trust that the obligations of Grantor under it shall be absolute and unconditional under any and all circumstances. No provision or waiver in this Deed of Trust shall be construed as limiting the generality of any other waiver contained in this Deed of Trust. Grantor further waives:

(i) All statutes of limitations as a defense to any action or proceeding brought against Grantor by Beneficiary, to the fullest extent permitted by law;

(ii) Any right it may have to require Beneficiary to proceed against Borrower, proceed against or exhaust any security held from Borrower or others, or pursue any other remedy in Beneficiary's power to pursue;

(iii) Any defense based on any claim that Grantor's obligations exceed or are more burdensome than those of Borrower;

(iv) Any defense Grantor may have to enforcement of this Deed of Trust by reason of an election of remedies by Beneficiary;

(v) Any defense based on any legal disability of Borrower, any release, discharge, modification, impairment or limitation of the liability of Borrower to Beneficiary from any cause, whether consented to by Beneficiary or arising by operation of law or from any bankruptcy or other voluntary or involuntary proceeding, in or out of court, for the adjustment of debtor-creditor relationships ("**Insolvency Proceeding**"), and any rejection or disaffirmance of the Third Party Secured Obligation, or any part of it, or any security held for it, in any such Insolvency Proceeding;

(vi) Any defense based on any action taken or omitted by Beneficiary in any Insolvency Proceeding, including any election to have Beneficiary's claim allowed as being secured, partially secured or unsecured, any extension of credit by Beneficiary to Borrower in any Insolvency Proceeding, and the taking and holding by Beneficiary of any security for any such extension of credit;

(vii) All presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of acceptance of this Deed of Trust and of the existence, creation, or incurring of new or additional indebtedness, and demands and notices of every kind;

(viii) Any defense based on or arising out of any defense that Borrower may have to the payment or performance of the Third Party Secured Obligation or any part of it; and

(ix) The right to assert suretyship defenses generally.

(e) Upon a default by Borrower, Beneficiary in its sole discretion, without prior notice to or consent of Grantor, may (i) foreclose either judicially or nonjudicially against any real or personal property security it may hold for the Third Party Secured Obligation, (ii) accept a transfer of any such security in lieu of foreclosure, (iii) compromise or adjust the Third Party Secured Obligation or any part of it or make any other accommodation with

Borrower, Grantor or any other party, or (iv) exercise any other remedy against Borrower or any other party or any security. No such action by Beneficiary shall release or limit the liability of Grantor, who shall remain liable under this Deed of Trust after the action, even if the effect of the action is to deprive Grantor of any subrogation rights, rights of indemnity, or other rights to collect reimbursement from Borrower or any other party for any sums paid to Beneficiary, whether contractual or arising by operation of law or otherwise. Grantor expressly agrees that under no circumstances shall it be deemed to have any right, title, interest or claim in or to any real or personal property to be held by Beneficiary or any third party after any foreclosure or transfer in lieu of foreclosure of any security for the Third Party Secured Obligation.

(f) Until full and final payment of the Third Party Secured Obligations, and regardless of whether Grantor may have made any partial payments of the Third Party Secured Obligation to Beneficiary, Grantor hereby waives (i) all rights of subrogation, all rights of indemnity, and any other rights to collect reimbursement from Borrower for any sums paid to Beneficiary, whether contractual or arising by operation of law (including the United States Bankruptcy Code or any successor or similar statute) or otherwise, (ii) all rights to enforce any remedy that Beneficiary may have against Borrower, and (iii) all rights to participate in any security now or later to be held by Beneficiary for the Third Party Secured Obligation.

(g) Grantor understands and acknowledges that if Beneficiary forecloses judicially or nonjudicially against any real property security for the Loan, that foreclosure could impair or destroy any right that Grantor may have to seek reimbursement, contribution or indemnification from Borrower or others based on any right Grantor may have of subrogation, reimbursement, contribution or indemnification. Grantor further understands and acknowledges that in the absence of the provisions of this Deed of Trust, such potential impairment or destruction of Grantor's rights, if any, may entitle Grantor to assert a defense to the enforcement of this Deed of Trust. By executing this Deed of Trust, Grantor freely, irrevocably and unconditionally: (i) waives and relinquishes that defense and agrees that Grantor will be fully liable under this Deed of Trust even though Beneficiary may foreclose judicially or nonjudicially against any real property security for the Loan; (ii) agrees that Grantor will not assert that defense in any action or proceeding which Beneficiary may commence to enforce this Deed of Trust; (iii) acknowledges and agrees that the rights and defenses waived by Grantor under this Deed of Trust include any right or defense that Grantor may have or be entitled to assert based upon or arising out of the laws of the state where the Property is located, and (iv) acknowledges and agrees that Beneficiary is relying on this waiver in making or continuing the Loan, and that this waiver is a material part of the consideration which Beneficiary is receiving for making or continuing the Loan.

(h) If Beneficiary is required to pay, return or restore to Borrower or any other person any amounts previously paid on the Third Party Secured Obligation because of any Insolvency Proceeding of Borrower, any stop notice or any other reason, the obligations of Grantor shall be reinstated and revived and the rights of Beneficiary shall continue with regard to such amounts, all as though they had never been paid.

(i) Grantor acknowledges that the Deed of Trust secures, among other things, credit extended to Borrower. Grantor further acknowledges and represents that this Deed of Trust is executed at Borrower's request; Beneficiary has made no representation to Grantor as to the creditworthiness of Borrower, and that no oral promises, assurances, representations or warranties have been made by or on behalf of Beneficiary to induce the Grantor to execute and deliver this Deed of Trust. Grantor has received and approved copies of all other requested Loan Documents. Before signing this Deed of Trust, Grantor investigated the financial condition and business operations of Borrower and such other matters as Grantor deemed appropriate to assure itself of Borrower's ability to discharge its obligations in connection with the Third Party Secured Obligation. Grantor assumes full responsibility for that due diligence, as well as for keeping informed of all matters which may affect Borrower's ability to pay and perform its obligations to Beneficiary. Beneficiary has no duty to disclose to Grantor any information which Beneficiary may have or receive about Borrower's financial condition or business operations, or any other circumstances bearing on Borrower's ability to perform.

(j) Grantor acknowledges that Grantor has had adequate opportunity to carefully read this Deed of Trust and to consult with an attorney of Grantor's choice prior to signing it. No consent, approval or authorization of or notice to any person or entity is required in connection with Grantor's execution of and obligations under this Deed of Trust. No course of prior dealing, usage of trade, parol or extrinsic evidence of any nature shall be used to supplement, modify or vary any of the terms hereof."

(c) Except as expressly changed herein, all terms, covenants and provisions of the Deed of Trust, as modified, and the obligations evidenced and secured thereby shall remain in full force and effect and are hereby expressly ratified and confirmed by the parties.

Unofficial  
Copy

**WASHINGTON NOTICE:**

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

Dated as of the day and year first set forth above.

**GRANTOR:**

**BANNER PROPERTIES, INC.,**  
a Washington corporation

By: [Signature]  
KEVIN WANN, President

**BENEFICIARY:**

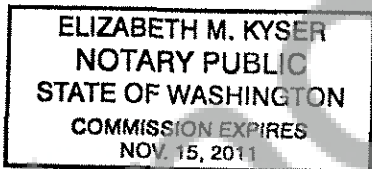
**BANK OF AMERICA, N.A.,**  
a national banking association

By: [Signature]  
BRIAN A. JARCHOW, Senior Vice President

STATE OF WASHINGTON )  
  )  
COUNTY OF Clark )      ss.

I certify that I know or have satisfactory evidence that KEVIN WANN is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledge it as the President of **BANNER PROPERTIES, INC.**, a Washington corporation to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 8-29-2008

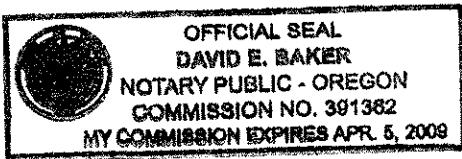


[Signature]  
Name Printed: Elizabeth M. Kyser  
Notary Public in and for the State of  
Washington, residing at Vancouver, WA  
My appointment expires 11/15/2011

STATE OF OREGON WASHINGTON )  
  )  
COUNTY OF Clackamas )      ss.

I certify that I know or have satisfactory evidence that BRIAN A. JARCHOW is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledge it as a Senior Vice President of **BANK OF AMERICA, N.A.**, a national banking association to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 8-29-2008



[Signature]  
Name Printed: David E Baker  
Notary Public in and for the State of  
Washington, residing at Clackamas Co  
My appointment expires 4/5/09

**EXHIBIT C****LEGAL DESCRIPTIONS OF CROSS-COLLATERALIZED PROPERTY**

Songbird, Inc. Deed recorded June 8, 2006 in the Official Records of Clark County, Washington under Recording No. 4178664:

**PARCEL I**

The East half of the Southwest quarter of the Southeast quarter of the Northeast quarter of Section 33, Township 3 North, Range 1 East of the Willamette Meridian.

EXCEPT that portion lying within the right of way of NW 109th St.

EXCEPT that portion described as follows:

A parcel of land in the Southeast quarter of the Northeast quarter of Section 33, Township 3 North, Range 1 East, Willamette Meridian, Clark County, Washington, described as follows:

Beginning at the Southeast corner of the Southeast quarter of the Northeast quarter of said Section 33; Thence North 01°38'33" East, for a distance of 657.64 feet to the Northeast corner of the South half of the Southeast quarter of the Northeast quarter of said Section 33; Thence North 88°55'53" West, along the North line of said South half, for a distance of 329.80 feet to the Northeast corner of that certain tract of land conveyed to Marley B. Petersen, et ux, by Warranty Deed, recorded under Auditor's File No. 8601070061, records of Clark County, Washington; Thence continuing North 88°55'53" West, along said North line, for a distance of 99.31 feet to a point hereinafter referred to as Point "A"; Thence continuing North 88°55'53" West, along said North line, for a distance of 251.94 feet to the TRUE POINT OF BEGINNING; Thence South 01°37'07" West, for a distance of 151.33 feet; Thence North 89°12'54" West, for a distance of 102.44 feet; Thence North 00°44'30" East, for a distance of 79.81 feet; Thence North 01°04'38" East, for a distance of 88.94 feet to an existing fence; Thence South 89°24'07" East, along said existing fence, for a distance of 86.32 feet; Thence South 89°21'48" East, along said existing fence for a distance of 18.19 feet; Thence South 01°37'07" West, for a distance of 17.76 feet to the TRUE POINT OF BEGINNING.

**PARCEL II**

The West half of the Southeast quarter of the Southeast quarter of the Northeast quarter of Section 33, Township 3 North, Range 1 East of the Willamette Meridian, Clark County, Washington and

EXCEPT that portion lying within the right of way of NW 109th St.

**PARCEL III**

A strip of land in the Southeast quarter of the Northeast quarter of Section 33, Township 3 North, Range 1 East, Willamette Meridian, Clark County, Washington, described as follows:

Beginning at the Southeast corner of the Southeast quarter of the Northeast quarter of said Section 33; Thence North 01°38'33" East, for a distance of 657.64 feet to the Northeast corner of the South half of the Southeast quarter of the Northeast quarter of said Section 33; Thence North 88°55'53" West, along the North line of said South half, for a distance of 329.80 feet to the Northeast corner of that certain tract of land conveyed to Marley B. Petersen, et ux, by Warranty Deed, recorded under Auditor's File No. 8601070061, records of Clark County, Washington, said point being the TRUE POINT OF BEGINNING; Thence continuing North 88°55'53" West, along said North line, for a distance of 659.60 feet to the Northwest corner of said Petersen tract; Thence North 01°34'17" East, along the Northerly extension of the West line of said Petersen tract, for a distance of 14.88 feet to an existing fence; Thence South 89°30'52" East, along said existing fence, for a distance of 59.70 feet; Thence South 89°32'52" East, along said existing fence, for a distance of 102.97 feet; Thence South 89°24'07" East, along said existing fence, for a distance of 127.55 feet; Thence South 89°21'48" East, along said existing fence, for a distance of 24.50 feet; Thence North 89°09'37" East, along said existing fence, for a distance of 30.43 feet to the West line of Lot 20 of "HORIZON VIEW", according to the plat thereof recorded in Book 310 of Plats at page 957, records of Clark County, Washington. Thence South 05°06'28" East, along said West line, for a distance of 2.19 feet to the Southwest corner thereof; Thence South 89°06'44" East, along the South line of said "HORIZON VIEW", for a distance of 314.28 feet to the Northerly extension of the East line of said Petersen tract; Thence South 01°37'07" West, along said Northerly extension, for a distance of 17.63 feet to the TRUE POINT OF BEGINNING.

[CONTINUED ON FOLLOWING PAGE.]



**EXCEPT that portion described as follows:**

~~A parcel of land in the Southeast quarter of the Northeast quarter of Section 33, Township 3 North, Range 1 East, Willamette Meridian, Clark County, Washington, described as follows:~~

~~Beginning at the Southeast corner of the Southeast quarter of the Northeast quarter of said Section 33; Thence North 01°38'33" East, for a distance of 657.64 feet to the Northeast corner of the South half of the Southeast quarter of the Northeast quarter of said Section 33; Thence North 88°55'53" West, along the North line of said South half, for a distance of 329.80 feet to the Northeast corner of that certain tract of land conveyed to Marley B. Petersen, et ux, by Warranty Deed, recorded under Auditor's File No. 8601070061, records of Clark County, Washington; Thence continuing North 88°55'53" West, along said North line, for a distance of 99.31 feet to a point hereinafter referred to as Point "A"; Thence continuing North 88°55'53" West, along said North line, for a distance of 251.94 feet to the TRUE POINT OF BEGINNING; Thence South 01°37'07" West, for a distance of 151.33 feet; Thence North 89°12'54" West, for a distance of 102.44 feet; Thence North 00°44'30" East, for a distance of 79.81 feet; Thence North 01°04'38" East, for a distance of 88.94 feet to an existing fence; Thence South 89°24'07" East, along said existing fence, for a distance of 86.32 feet; Thence South 89°21'48" East, along said existing fence for a distance of 18.19 feet; Thence South 01°37'07" West, for a distance of 17.76 feet to the TRUE POINT OF BEGINNING.~~

Reserve at Cooper Mountain Deed recorded April 3, 2007 in the Official Records of Washington County, Oregon under Recording No. 2007-036458:

PARCEL I:

All of Lot 20, MOUNTAIN VIEW HEIGHTS, a plat of record in the Southeast quarter of Section 30, Township 1 South, Range 1 West, of the Willamette Meridian, in the County of Washington and State of Oregon,

EXCEPT the following described portion of said Lot 20:

BEGINNING at a point on the East line of said Lot 20 which point bears North 00°04'25" East 325 57 feet from the Southeast corner thereof, and running thence North 00°04'25" East, along said East line, 272.85 feet; thence 503 55 feet along the arc of a 493 00 foot radius contingent (sic) curve to the left (the long chord of which bears South 61°14'42" West 481.94 feet); thence South 31°59'03" West 47 68 feet; thence South 89°55'40" East 447 41 feet to the point of beginning

TOGETHER WITH that certain contiguous tract to the North described as follows:

Lot 21, MOUNTAIN VIEW HEIGHTS, in the County of Washington and State of Oregon

PARCEL II:

A portion of Lot 20, MOUNTAIN VIEW HEIGHTS, a plat of record in the Southeast quarter of Section 30, Township 1 South, Range 1 West, of the Willamette Meridian, in the County of Washington and State of Oregon, said portion being more particularly described as follows:

BEGINNING at a point on the East line of said Lot 20 which point bears North 00°04'25" East 325 57 feet from the Southeast corner thereof, and running thence North 00°04'25" East, along said East line, 272 85 feet thence 503 55 feet along the arc of a 493 00 foot radius nontangent curve to the left (the long chord of which bears South 61°14'42" West 481 94 feet); thence South 31°59'03" West 47 68 feet; thence South 89°55'40" East 447 41 feet to the point of beginning

PLH Pool Deed recorded on November 22, 2006 in the Official Records of Clark County, Washington under Recording No. 4251444:

PARCEL I:

LOTS 1 THROUGH 6, 9, 11 THROUGH 22, 24 THROUGH 28, 30 THROUGH 33, 35 THROUGH 38, AND 41 THROUGH 54, OSPREY POINTE, PRELIMINARILY APPROVED AS KIRSCHENBAUM ESTATES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 311 OF PLATS, PAGE 348, RECORDS OF CLARK COUNTY, WASHINGTON.

PARCEL II:

LOT 23, OSPREY POINTE, PRELIMINARILY APPROVED AS KIRSCHENBAUM ESTATES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 311 OF PLATS, PAGE 348, RECORDS OF CLARK COUNTY, WASHINGTON.

TOGETHER WITH AN EASEMENT OF INGRESS, EGRESS, AND UTILITIES OVER, UNDER AND ACROSS A PORTION OF LOT 22 AS DISCLOSED ON THE FACE OF SAID PLAT.

[CONTINUED ON FOLLOWING PAGE.]

PLH Pool Deed recorded on June 26, 2007 in the Official Records of Clark County, Washington under Recording No. 4342719:

LOT 4, CASSINI VIEW, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 311 OF PLATS, PAGE 242, RECORDS OF CLARK COUNTY, WASHINGTON.

PLH Pool Deed recorded on August 10, 2007 in the Official Records of Clark County, Washington under Recording No. 4361154:

LOTS 1 THRU 6 AND 28, 29 AND 30, SONGBIRD SUBDIVISION PHASE 2, PRELIMINARY APPROVED AS WEDGEWOOD SUBDIVISION, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 311 OF PLATS, PAGE 507, RECORDS OF CLARK COUNTY, WASHINGTON.

PLH Pool Deed recorded on February 28, 2008 in the Official Records of Clark County, Washington under Recording No. 4427567:

Lot 7 through 13, 15 through 27 and 31 through 39, SONGBIRD SUBDIVISION PHASE 1, preliminarily approved as Wedgewood Subdivision, according to the plat thereof, recorded in Volume 311 of Plats, Page 535, records of Clark County, Washington.

PLH Pool Deed recorded on May 29, 2007 in the Official Records of Clark County, Washington under Recording No. 4329309:

LOTS 1-18, CARSON ESTATES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 311 OF PLATS, PAGE 382, RECORDS OF CLARK COUNTY, WASHINGTON.

PLH Pool Deed recorded on October 10, 2007 in the Official Records of Lane County, Oregon under Recording No. 2007-069958:

LOTS 42 AND 43, SANDPINES WEST PHASE I, AS PLATTED AND RECORDED IN FILE 74, SLIDES 18, 19 AND 20, LANE COUNTY OREGON PLAT RECORDS, IN LANE COUNTY, OREGON.

EXCEPT THEREFROM THAT PORTION LYING WITHIN THE BOUNDS OF SANDPINES WEST TOWNHOUSE COMMUNITY PHASE 1, AS PLATTED AND RECORDED IN FILE 74, SLIDE 66, LANE COUNTY OREGON PLAT RECORDS, IN LANE COUNTY, OREGON.