

After recording return to:

Roger D. Knapp
430 NE Everett Street
Camas, WA 98607

DEED OF TRUST

Grantor: L M Kocher Property Management LLC
Trustee: Roger D. Knapp
Beneficiaries: Lawrence A. Kocher and Margaret M. Kocher
Legal desc. (abbrev): No. 1502 Sec 3 T1 R5
Assessor's Tax Parcel ID No. 01050800150200

Effective Date:

August
~~June~~ 29, 2011

Grantor:

L M KOCHER PROPERTY MANAGEMENT LLC
1358 N. Illinois Rt. 3
Waterloo, IL 62298

Trustee:

ROGER D. KNAPP
Attorney at Law
430 NE Everett Street
Camas, WA 98607

Beneficiaries:

LAWRENCE A. KOCHER and MARGARET M.
KOCHER, husband and wife
husband and wife, dba T K KARLSEN COMPANY
1358 N. Illinois Rt. 3
Waterloo, IL 62298

THIS DEED OF TRUST, made this 29 day of ~~June~~ *August*, 2011, between L M KOCHER
PROPERTY MANAGEMENT LLC, a Washington Limited Liability Company, GRANTOR;
ROGER D. KNAPP, Attorney at Law, TRUSTEE; and LAWRENCE A. KOCHER and
MARGARET M. KOCHER, husband and wife, BENEFICIARIES:

WITNESSETH:

Grantor hereby bargains, sells, and conveys to Trustee, in trust, with power of sale, the following

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described real property situate in the County of Skamania, State of Washington, and described as follows:

County of Skamania, State of Washington

A portion of the Northeast quarter of the Southeast quarter of the Southwest quarter of Section 8, Township 1 North, Range 5 East, Willamette Meridian, Skamania County, Washington, described as follows:

Beginning at a 1 inch iron pipe with a brass cap marking the Northeast corner of the Southeast quarter of the Southwest quarter of Section 8, as set in 1999 "Hagedorn, Inc. Survey"; thence South 01° 31' 00" West, along the East line of the Southeast quarter of the Southwest quarter of Section 8, for a distance of 100.00 feet to a ½ inch iron rod, (1999 "Hagedorn, Inc. Survey"), and the TRUE POINT OF BEGINNING; Thence North 72° 00' 00" West, for a distance of 50.00 feet to a ½ inch iron rod (1999 "Hagedorn, Inc. Survey"); thence South 19° 30' 00" West, for a distance of 200.00 feet to a ½ inch iron rod (1999 "Hagedorn, Inc. Survey"); thence South 72° 00' 00" East, for a distance of 114.39 feet to a ½ inch iron rod (1999 "Hagedorn, Inc. Survey") on the East line of the Southeast quarter of the Southwest quarter of Section 8; thence North 01° 31' 00" East, along the East line of the Southeast quarter of the Southwest quarter of Section B, for a distance of 208.50 feet to the TRUE POINT OF BEGINNING.

Together with an Easement for Access recorded November 18, 1999 in Book 195, Page 78.

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 repayment of a Promissory Note bearing even date herewith in the amount of \$175,000.00, and the performance of each agreement of Grantor herein contained.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, GRANTOR AGREES:

1. To keep said 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

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destroyed; 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 said property described herein continuously insured against loss by fire and other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiaries, and be in such companies as the Beneficiaries may approve and have loss payable first to the Beneficiaries as their 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 Beneficiaries shall determine. Such application by the Beneficiaries 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 Beneficiaries 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 Beneficiaries 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. By accepting payment of any sum secured hereby after its due date, Beneficiaries do not waive their rights to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

2. 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 Grantors and the Beneficiaries, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiaries or the person entitled thereto.

3. 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 Beneficiaries. In such event and upon written request of Beneficiaries, 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: (a) to the expense of the sale; (b) to the obligation secured by this Deed of Trust; (c) the surplus, if any, shall be deposited (less clerk's filing fee) with the clerk of the Superior Court of the county in which sale takes place.

4. Trustee shall deliver to the purchaser at the sale his 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 their execution of this Deed of Trust, and such as they 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.

5. 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; Beneficiaries may cause this Deed of Trust to be foreclosed as a mortgage.

6. In the event of the death, incapacity, disability or resignation of Trustee, Beneficiaries 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 Beneficiaries shall be a party unless such action or proceeding is brought by the Trustee.

7. 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.

L M KOCHER PROPERTY MANAGEMENT
LLC

By: Lawrence A. Kocher
Lawrence A. Kocher, Member

By: Margaret M. Kocher
Margaret M. Kocher, Member

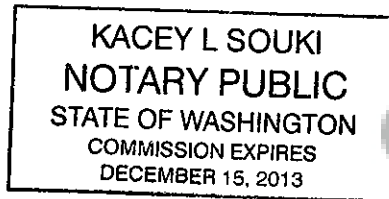
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STATE OF ~~ILLINOIS~~ Washington
COUNTY OF Clark) ss.

On this day personally appeared before me LAWRENCE A. KOCHER and MARGARET M. KOCHER, husband and wife, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 29 day of August, 2011.



[Signature]
NOTARY PUBLIC in and for the State of
~~Illinois~~ Washington, residing at Vancouver.
My commission expires: 12/15/2013.

Unofficial Copy