

Upon Recording Return To  
Carolyn Simms, Attorney  
P.O. Box 169  
Washougal, WA 98671

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**DEED OF TRUST**

Grantor: VICTOR ERICKSON, a single person  
Grantees: SCOTT MALFAIT and SHERYL MALFAIT, husband and wife  
Abbreviated Legal  
Description: Lot 2 KENNETH E. LOCKE SP BK1 PG8 AFN 80047  
Tax Parcel No.: 02-05-19-0-0307-00

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**DATE AND PARTIES.** The date of this Deed of Trust (Security Instrument) is December 23, 2016. The parties and their addresses are:

**GRANTOR:**

VICTOR ERICKSON  
282 Stevens Road  
Washougal, WA 98671

**TRUSTEE:**

Carolyn A Simms, Attorney  
P.O. Box 169  
Washougal, WA 98671

**LENDER:**

SCOTT MALFAIT and SHERYL MALFAIT  
31914 SE 17<sup>th</sup> Street  
Washougal, WA 98671

1. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to secure the Loan and Grantor's performance under this Security Instrument, Grantor hereby irrevocably grants, sells, and conveys to Trustee in trust for the benefit of Lender, with power of sale, the following described real property in the County of Clark, State of Washington:

See attached Exhibit "A" attached hereto and by this reference incorporated herein.

DEED OF TRUST - 1

The subject property is known as 282 Stevens Road, Washougal, WA 98671

Together with all rights, easements, appurtenances, royalties, tenements, and all existing and future improvements, structures, fixtures that may now or hereafter belonging or in anywise appertaining, and the rents, issues and profits thereof which are or will be a part of the real estate described above. All of the property described in this Section is called the "Property". This Security Instrument will remain in effect until the Secured Debts and all underlying agreements have been terminated in writing by Lender.

**2. SECURED DEBTS.** The term "Secured Debts" includes and this Security Instrument will secure each of the following:

**2.1 Specific Debts.** Performance of the Promissory Note of even date between Grantor and Lender of \$75,000, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Lender to Grantor.

**2.2 Sums Advanced.** All sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

**3. PAYMENTS.** Grantor agrees that all payments under the Secured Debts will be paid when due and in accordance with the terms of the Note and this Security Instrument.

**4. WARRANTY OF TITLE.** Grantor warrants that Grantor is lawfully seized of the estate conveyed by this Security Instrument and has the right to irrevocably grant, convey and sell the Property to Trustee, in trust, with the power of sale. Grantor also warrants that the Property is unencumbered, except for encumbrances of record.

**5. CLAIMS AGAINST TITLE.** Grantor will pay all taxes, assessments, liens, encumbrances and other charges relating to the Property when due. Lender may require Grantor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Grantor's payment. Grantor will defend title to the Property against any claims that would impair the lien of this Security Instrument, as the first and senior lienholder. Grantor agrees to assign to Lender, as requested, any rights, claims or defenses Grantor may have against parties who supply labor or materials to maintain or improve the Property.

**6. DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property.

**7. WARRANTIES AND REPRESENTATIONS.** Grantor makes to Lender the following warranties and representations, which shall continue as long as this Security Instrument is in effect:

Grantor has the power and authority to enter into this transaction and to carry out the terms therein.

8. **PROPERTY CONDITION.** Grantor will keep the property in good condition and repair; to permit no waste thereof; to restore promptly any building, structure or improvement thereon that may be damaged or destroyed; and to comply with all laws, ordinances, regulations covenants, conditions and restrictions affecting the property. Grantor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent.

Lender or Lender's agents may enter the Property at any reasonable time for the purpose of inspecting the Property.

9. **ASSIGNMENT OF LEASES AND RENTS.** Grantor irrevocably assigns, grants, conveys to Lender as additional security all the right, title and interest in the existing or future leases, rents, issues and profits of the Property. In the event any items listed as Leases or Rents are determined to be personal property, this Assignment will also be regarded as a security agreement.

10. **DEFAULT.** Grantor will be in default if any of the following occur:

10.1 **Payments.** Grantor fails to make a payment in full when due.

10.2 **Insolvency or Bankruptcy.** The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against Grantor, Borrower, or any guarantor of this Security Instrument or any other obligations Borrower has with Lender.

10.3 **Failure to Perform.** Grantor fails to perform any condition or to keep any promise or covenant of this Security Instrument.

10.4 **Other Documents.** A default occurs under the terms of any other document relating to the Secured Debts.

10.5 **Misrepresentation.** Grantor makes any verbal or written statement or provides any financial information that is untrue, inaccurate or conceals a material fact at the time it is made or provided.

10.6 **Judgment.** Grantor fails to satisfy or appeal any judgment against Grantor.

10.7 **Forfeiture.** The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

10.8 **Property Transfer.** Grantor transfers all or a substantial part of Grantor's money or property. This condition of default, as it relates to the transfer of the Property, is subject to the restrictions contained in the DUE ON SALE section.

10.9 **Property Value.** Lender determines in good faith that the value of the Property has declined or is impaired.

10.10 **Insecurity.** Lender determines in good faith that a material adverse change has occurred in Grantor's financial condition or that the prospect for payment or performance of the Secured Debt is impaired for any reason.

11. **REMEDIES.** On or after default, Lender may use any and all remedies Lender has under state or federal law or in any document relating to the Secured Debts. **Any amounts advanced to Grantors shall immediately become due and payable.**

Subject to any right to cure, or notice rights Grantor may have, Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due and foreclose this Security Instrument in a manner provided by law upon the occurrence of a default or anytime thereafter.

All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth herein. The acceptance by Lender of any sum in payment or partial payment of the Secured Debts after the balance is due or is accelerated or after foreclosure proceedings are filed will not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

12. **COLLECTION EXPENSES AND ATTORNEYS' FEES.** On or after Default, to the extent permitted by law, Grantor agrees to pay all expenses of collection, enforcement or protection of Lender's rights and remedies under this Security Instrument or any other document relating to the Secured Debts. Grantor agrees to pay expenses for Lender to inspect and preserve the Property and for any recordation costs of releasing the Property from this Security Instrument. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses and are due immediately. If not paid when due, these expenses will bear interest from the date of payment until paid in full at the highest statutory interest rate, which shall be at least twelve percent.

13. **INSURANCE.** Grantor agrees to keep the Property insured against the risks reasonably associated with the Property, in the amounts Lender requires, at minimum in an amount that will fully compensate Lender for amounts owing under the Note.

14. **SUCCESSOR TRUSTEE.** Lender, at Lender's option may, from time to time remove Trustee and appoint a successor trustee in writing. The successor trustee will succeed to all the title, power and duties conferred upon Trustee in this Security Instrument and applicable law.

15. **USE OF PROPERTY.** The real property conveyed by this Security Instrument is not used principally for agricultural purposes.

16. **APPLICABLE LAW.** This Security Instrument is governed by the laws of the State of Washington.

17. **AMENDMENT, INTEGRATION AND SEVERABILITY.** This Security Instrument may not be amended or modified unless made in writing and executed by Grantor and Lender. This Security Instrument and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Security Instrument is unenforceable, then the unenforceable provision will be severed and the remaining provisions will remain enforceable.

18. **NOTICE, FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Unless otherwise required by law, any notice will be given by delivering it or mailing it by both first class and either registered or certified mail, return receipt requested, to the appropriate party's address listed herein, or to any other address designated in writing. Notice to one Grantor will be deemed to be notice to all Grantors. Grantor will inform Lender in writing of any change in Grantor's name, address or other applicable information. Grantor will provide Lender any financial statements or other information Lender may request from time to time.

**IN WITNESS WHEREOF**, the parties have executed this document the day and year written above.

GRANTOR:

  
VICTOR ERICKSON

LENDER:

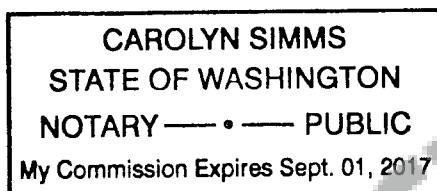
  
SCOTT MALFAIT

  
SHERYL MALFAIT

STATE OF WASHINGTON )  
COUNTY OF CLARK ) SS:

On this 23<sup>rd</sup> day of December, 2016, personally appeared before me VICTOR ERICKSON to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 23<sup>rd</sup> day of December, 2016.

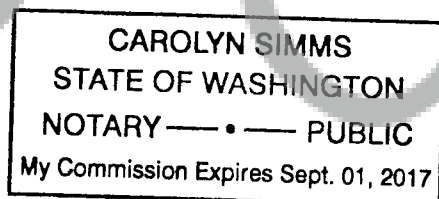


Carolyn Simms  
Notary Public for Washington  
Residing at: Clark Co.  
My Commission expires: 9-1-2017

STATE OF WASHINGTON )  
COUNTY OF CLARK ) SS:

On this 23<sup>rd</sup> day of December, 2016, personally appeared before me SCOTT MALFAIT and SHERYL MALFAIT 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 23<sup>rd</sup> day of December, 2016.



Carolyn Simms  
Notary Public for Washington  
Residing at: Clark Co.  
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## **LEGAL DESCRIPTION EXHIBIT A**

**The East half of the Northeast quarter of the Southwest quarter of the Northeast quarter of Section 19, Township 2 North, Range 5 East of the Willamette Meridian, Skamania County, Washington.**

**EXCEPT any portion thereof lying within the South 660 feet of the West 1320 feet of said Southwest quarter of the Northeast quarter of said Section 19;**

**ALSO known as Lot 2 of the KENNETH E. LOCKE SHORT PLAT, according to Short Plat recorded July 8, 1975, in Book 1, page 8, under Auditor's File No. 80047, records of Skamania County, Washington.**