



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

DEED OF TRUST

Grantor: VICTOR ERICKSON

Grantee: SCOTT MALFAIT

Abbreviated Legal

Description: Portion of SEC29 T3N R5EWM and LOT 2 SIMES SP/BK 3 PG 166

Tax Parcel No.: 03052900010600 and 02053000130900

DATE AND PARTIES. The date of this Deed of Trust (Loan Agreement) is December 28, 2020.
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
31914 SE 17th 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 Loan Agreement, 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

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 Loan Agreement 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 Loan Agreement will secure each of the following:

2.1 Specific Debts. Performance of the Promissory Note of even date between Grantor and Lender, of \$320,000, 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 Loan Agreement.

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 Loan Agreement.

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

5. CLAIMS AGAINST TITLE. Grantor will pay all taxes, assessments, liens, encumbrances and other charges relating to the Properties 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 Properties against any claims that would impair the lien of this Loan Agreement. 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 Properties.

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 Properties.

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

7.1 Authority. Grantor is in good standing and has the power and authority to enter into this transaction and to carry out the terms therein.

7.2 Name and Place of Business. Grantor has not changed its name or principal place of business within the last year and has not used any other trade or fictitious name.

8. PROPERTY CONDITION. Grantor will keep the Properties 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 Properties. 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 Properties at any reasonable time for the purpose of inspecting the Properties.

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 Properties, including any logging income. 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 Loan Agreement or any other obligations Borrower has with Lender.

10.3 Business Termination. Grantor merges, dissolves, reorganizes, ends its business or existence, or a partner or majority owner dies or is declared legally incompetent.

10.4 Failure to Perform. Grantor fails to perform any condition or to keep any promise or covenant of this Loan Agreement.

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

10.6 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.

10.7 Judgment. Grantor fails to satisfy or appeal any judgment against Grantor.

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

10.9 **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.

10.10 **Property Value.** Lender determines in good faith that the value of the Properties have declined or are impaired.

10.11 **Material Change.** Without first notifying Lender, there is a material change in Grantor's business, including ownership, management and financial condition, or in the change of Grantor's name.

10.12 **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 Loan Agreement 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 Loan Agreement or any other document relating to the Secured Debts. Grantor agrees to pay expenses for Lender to inspect and preserve the Properties and for any recordation costs of releasing the Properties from this Loan Agreement. 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.

13. **INSURANCE.** Grantor agrees to keep the Properties insured against the risks reasonably associated with the Properties, 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, 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 Loan Agreement and applicable law.

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

16. **APPLICABLE LAW.** This Loan Agreement is governed by the laws of the State of Washington.

17. **AMENDMENT, INTEGRATION AND SEVERABILITY.** This Loan Agreement may not be amended or modified unless made in writing and executed by Grantor and Lender. This Loan Agreement and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Loan Agreement 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.

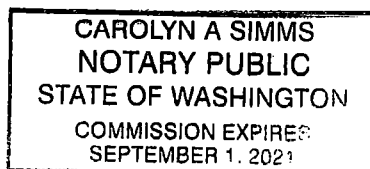
GRANTOR:

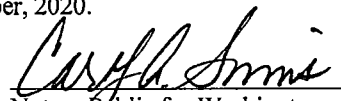

VICTOR ERICKSON

STATE OF WASHINGTON)
COUNTY OF CLARK) SS:

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 he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned and has the authority to do so.

GIVEN under my hand and official seal this 28th day of December, 2020.




Notary Public for Washington
Residing at Clark County
My Commission expires: 9-1-2021

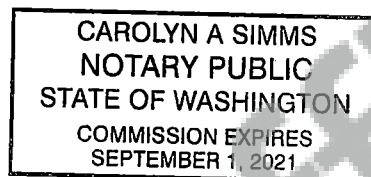
LENDER:

Scott Malfait
SCOTT MALFAIT

STATE OF WASHINGTON)
COUNTY OF CLARK) SS:

Personally appeared before me SCOTT MALFAIT to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned and has the authority to do so.

GIVEN under my hand and official seal this 28th day of December, 2020.



Carolyn A. Simms
Notary Public for Washington
Residing at Clark County
My Commission expires: 9-1-2021

EXHIBIT A

Parcel One:

BEGINNING AT A POINT ON THE EAST LINE OF SECTION 29, TOWNSHIP 3 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, SKAMANIA COUNTY, WASHINGTON 383.76 FEET NORTH 1°35'02" EAST. OF THE SOUTHEAST CORNER OF SAID SECTION; THENCE WEST 2204.38 FEET TO A 5/8" IRON ROD IN THE CENTER OF THE SKAMANIA MINES COUNTY ROAD; THENCE ALONG THE CENTER OF SAID ROAD NORTH 52°16'54" EAST 346.23 FEET TO A 5/8" IRON ROD; THENCE NORTH 59°24'35" EAST 218.44 FEET TO A 5/8" IRON ROD AND THENCE NORTH 36°02'40" EAST 167.61 FEET TO A 5/8" IRON ROD; THENCE EAST 1655.52 FEET TO THE EAST LINE OF SAID SECTION 29; THENCE SOUTH 1°35'02" WEST 457.03 FEET TO THE TRUE POINT OF BEGINNING.

Parcel No. 03052900010600

Parcel Two:

The real property located at 191 Mountain Vista Rd, Washougal, Washington 98671, together with all buildings, improvements and fixtures constructed or located on the Land (Buildings) and all easements and rights benefiting or appurtenant to the Land (collectively the Real Property). The Real Property is legally described as: A tract of land in the Southeast Quarter of Section 30, Township 2 North, Range 5 East of the Willamette Meridian, in the county of Skamania, State of Washington, described as follows: Lot 2 of the David L. Simes Short Plat, recorded in Book 3 of Short plats, Page 166, Skamania County Records

Parcel No. 02053000130900