

REAL ESTATE CONTRACT

THIS CONTRACT, made and entered into this 11th day of September, 1980, between FRED A. NEWMAN and ANNETTE NEWMAN, husband and wife, hereinafter called the "sellers," and JAMES D. RICHARDSON and MYRA J. RICHARDSON, husband and wife, hereinafter called the "purchasers,"

WITNESSETH: That the sellers agree to sell to the purchasers and the purchasers agree to purchase from the sellers the following described real estate, with the appurtenances, in Skamania County, State of Washington:

(See Exhibit "A" attached hereto.)

The purchase price is Forty-five Thousand Dollars (\$45,000.00), of which Two Hundred Fifty Dollars (\$250.00) has been paid, the receipt whereof is hereby acknowledged, and the balance of said purchase price shall be paid as follows:

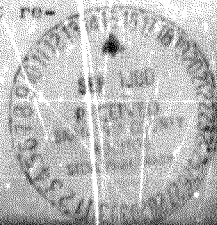
(a) Purchasers agree to pay the sum of Eight Thousand Seven Hundred Fifty Dollars (\$8,750.00), hereinafter sometimes referred to as the "down payment", to sellers within twenty-four (24) months of the closing date or at such time as purchasers complete the sale of their residence at 2908 Weigel Avenue, Vancouver, Washington 98660, whichever event occurs first.

(b) Purchasers agree to pay the sum of Two Hundred Fifty Dollars (\$250.00) per month, or more at purchasers' option, on or before the 5th day of each and every succeeding calendar month from and after the date of closing until such time as the total amount of \$8,750.00, referred to in paragraph (a) above has been paid. The monthly payments required by this paragraph shall be applied toward the payment of interest on the unpaid balance and the deficiency shall be added to the principal.

(c) At such time as the down payment has been paid in full, as specified in paragraph (a) and (b) above, the monthly installment payments required to be made by purchasers shall be increased to Three Hundred Twenty-five Dollars (\$325.00), or more at purchasers' option.

(d) Purchasers agree to pay interest on the diminishing balance of the purchase price, including the down payment, at the rate of 9% per annum from the date of closing, which interest shall be deducted from each installment payment and the balance of each payment applied in reduction of principal.

(e) Purchasers agree that the entire purchase price, together with interest as specified herein, shall be paid in full by September 10, 2010, and that the amount of the final payment shall be the total of the principal and interest remaining unpaid.



(f) Purchasers may at their option make prepayments of principal, provided that no more than 29% of the purchase price is paid in any one calendar year. If more than that sum is paid in any one calendar year, purchasers shall pay 10 % of the excess so paid, in addition to other sums, for the privilege of such excess prepayment.

All payments to be made hereunder shall be made at M.P.O. 11R Little Soda Springs Rd., Carson, WA 98610, or at such other place as the sellers may direct in writing.

As referred to in this contract, "date of closing" shall be September 1st, 1980.

(1) The purchasers assume and agree to pay before delinquency all taxes and assessments that may as between grantor and grantee hereafter become a lien on said real estate, and if by the terms of this contract the purchasers have assumed payment of any mortgage, contract or other encumbrance, or has assumed payment of or agreed to purchase subject to, any taxes or assessments now a lien on said real estate, the purchasers agree to pay the same before delinquency.

(2) Purchasers will keep any improvements or future improvements located on the property and the contents thereof insured against loss or damage by fire, windstorm, and all other casualties covered by "all risk" or extended coverage endorsement available in the State of Washington in an amount equal to the full insurable value thereof, on the initial and renewal policy dates, with a company acceptable to the sellers and with loss payable first to sellers as their interest may appear, and to pay all premiums for such insurance and deliver all policies and renewals thereof to the sellers. All such policies shall provide that they can not be amended or cancelled without ten (10) days' written notice to sellers.

(3) Purchasers are acquiring the property "as is" and sellers make no representations or warranties except as to title as set forth herein. Without limiting the generality of the foregoing, purchasers acknowledge that they have made their own independent investigation respecting the property and will be relying entirely thereon and on the advice of any consultant they may retain. Purchasers may not rely upon any representation of any party whether or not such party purports to act on behalf of sellers, unless the representation is expressly set forth therein or in a subsequent document executed by sellers. All representations, warranties, understandings, and agreements between purchasers and sellers are merged herein and shall not survive closing.

(4) The purchasers assume all hazards of damage to or destruction of any improvement now on said real estate or hereafter placed thereon, and of the taking of said real estate or any part thereof for public use; and agree that no such damage, destruction or taking shall constitute a failure of consideration. In case any part of said real estate is taken for public use, the portion of the condemnation award remaining after payment

of reasonable expenses of procuring the same shall be paid to the sellers and applied as payment on the purchase price herein unless the sellers elect to allow the purchasers to apply all or a portion of such condemnation award to the rebuilding or restoration of any improvements damaged by such taking. In case of damage or destruction from a peril insured against, the proceeds of such insurance remaining after payment of the reasonable expense of procuring the same shall be devoted to the restoration or rebuilding of such improvements within a reasonable time, unless purchasers elect that said proceeds shall be paid to the sellers for application on the purchase price herein.

(5) Purchasers will at all times keep and maintain the property and all improvements now or hereafter located on the property in as good a state of repair as they are upon the date of this contract or date of installation as to future improvements, reasonable wear and depreciation accepted. Purchasers shall replace or repair worn out or obsolete portions of the improvements as necessary to keep the improvements as a whole in good operating condition. All maintenance, repair and replacement shall be at the purchasers' sole cost and expense and neither the sellers nor the property shall be liable therefor, nor subject to attachment nor lien as a result thereof. This covenant is not to be construed to indicate that sellers have any participation in the maintenance of such improvements or the making of repairs or replacements.

(6) No building or other improvement on the property shall be structurally altered, removed or demolished, without sellers' prior written consent, nor shall any fixture or chattel covered by this contract be removed at any time without like consent, unless actually replaced by an article of equal suitability, owned by the purchasers, free and clear of any lien or security interest except such as may be approved in writing by sellers.

(7) The sellers have delivered, or agree to deliver within fifteen (15) days of the date of closing a purchasers' policy of title insurance in standard form, or a commitment therefore, issued by a title insurance company acceptable to both sellers and purchasers, insuring the purchasers to the full amount of said purchase price against loss or damage by reason of defect in sellers' title to said real estate as of the date of closing and containing no exceptions other than the following:

- (a) Printed general exceptions appearing in said policy form;
- (b) Liens or encumbrances which by the terms of this contract the purchasers are to assume, or as to which the conveyance hereunder is to be made subject; and
- (c) Any existing contract or contracts under which sellers are purchasing said real estate, and any mortgage or other obligation, which sellers by this contract agree to pay, none of which for the purpose of this paragraph (7) shall be deemed defects in sellers' title.

(8) If sellers' title to said real estate is subject to an existing contract or contracts under which sellers are purchasing said real estate, or any mortgage or other obligation which sellers are to pay, sellers agree to make such payments in accordance with the terms thereof, and upon default, the purchasers shall have the right to make any payments necessary to remove the default, and any payments so made shall be applied to the payments next falling due the sellers under this contract.

(9) The sellers agree, upon receiving full payment of the purchase price and interest in the manner above specified, to execute and deliver to purchasers a statutory warranty fulfillment deed to said real estate, excepting any part thereof hereafter taken for public use, free of encumbrances except any that may attach after date of closing through any person other than the sellers, and subject to the following:

Easements of record.

(10) The rights hereby granted are personal to the purchasers and sellers' reliance upon purchasers' ability and integrity is a part of the consideration for this contract. Neither this contract nor any interest therein, nor the possession of the property, may be assigned or transferred by purchasers, nor shall purchasers make or enter into any contract for the sale of the property or any interest therein, without the prior written consent of sellers.

(11) Any attempt at assignment and transfer by purchasers in violation of the foregoing provisions may, at sellers' option, be deemed a default by purchasers and sellers may declare the remaining contract balance, accrued interest and any other sums owing by purchasers to sellers hereunder immediately due and payable.

(12) Unless a different date is provided for herein, the purchasers shall be entitled to possession of said real estate on date of closing and to retain possession so long as purchasers are not in default hereunder. The purchasers covenant not to permit waste on said premises and not to use, or permit the use of, the real estate for any illegal purpose. The purchasers covenant to pay all service, installation or construction charges for water, sewer, electricity, garbage or other utility services furnished to said real estate after the date purchasers are entitled to possession.

(13) Time and the covenants of purchasers set forth herein of this agreement, are of the essence of this agreement. If purchasers fail to make any payment precisely when due or breaches any term or provision of this contract, sellers may, at their option, exercise any of the following alternative remedies upon giving purchasers thirty (30) days' written notice specifying the default and the remedy to be exercised should purchasers fail to secure all defaults at the expiration of the 30-day period.

(a) Suit for Delinquencies. Sellers may institute suit for any installments or other sums then due and payable under this agreement together with any sums advanced by sellers for and the amount of any delinquencies for items such as water assessments, taxes, insurance, payments and underlying obligations and lienable items, together with interest thereon at the rate of 12% per annum from the date each such payment was advanced or due, as the case may be.

(b) Acceleration. Sellers may declare the entire unpaid balance of the purchase price to be immediately due and payable and institute suit to collect such amount, together with any sums advanced by the sellers for and the amount of any delinquencies for items such as water assessments, taxes, insurance, payments on underlying obligations, lienable items and other expenses incurred to protect sellers' interest in the property, together with interest thereon at the rate of 12% per annum from the date of each such advance. Payment by purchasers of any judgment obtained by sellers pursuant to this paragraph shall be a condition precedent to the delivery of a deed to said property by sellers or by the escrow agent, if any.

(c) Forfeiture. Sellers may elect to declare a forfeiture of and cancellation of this contract and upon such election being made, all rights of purchasers hereunder shall cease and terminate and sellers shall be entitled to take possession of the property, and all payments made by purchasers hereunder shall be retained by sellers in liquidation of all damages sustained by said default. In addition, should sellers commence a quiet title action in connection with such forfeiture or defend any claim in opposition to such forfeiture, sellers shall be entitled to recover from purchasers all further costs and attorneys' fees incurred therein and in any appeal. At the end of said 30-day period, sellers may enter into the property and take possession thereof and purchasers shall immediately surrender possession. If the contract is, within said 30-day period, reinstated by the purchasers' performance and cure of all defaults, purchasers shall pay \$1,000.00 to sellers as liquidated damages for the breach of this agreement. If a forfeiture is declared, all payments which, but for the forfeiture, would have become due during the specified 30-day period and all costs and expenses including, but not limited to costs of title search and a reasonable attorney's fee, incurred by sellers in connection with the default must be paid in addition to the sums set forth in the notice of forfeiture.

as a condition to reinstatement of the contract. Should purchasers pay sellers an amount less than all sums required to reinstate the contract, sellers' acceptance of such sums shall not be deemed a waiver of any defaults or a reinstatement of the contract, and any such sums shall be retained by sellers as further liquidated damages should purchasers remain in default in any respect on the expiration of the 30-day period.

(d) Specific Performance. Sellers may institute suit to specifically enforce any of the purchasers' covenants hereunder. The failure of sellers to elect to pursue any of the above remedies at any time upon a breach of any of the terms of this contract by the purchasers shall be deemed only an indulgence by the sellers with regard to that particular breach and shall not be construed, in any manner whatsoever, to be a waiver of any right of sellers to pursue any of the above remedies for the same or a different breach at a subsequent time; election of the sellers to utilize any particular remedy to enforce a breach of this contract shall not preclude sellers from electing to use an alternate remedy to enforce a subsequent breach. Purchasers' covenants to pay the accelerated balance and/or any intermediate installments and/or any other payments made by sellers and repayable by purchasers in event of default are independent of the covenant to make a deed and every action is an action arising on a contract for the recovery of money only, as if the promise to pay had been expressed in a different instrument. Any delay or failure of sellers to take action upon default shall not be construed as a waiver of said default. If sellers are required to institute legal action to enforce any of the remedies indicated, purchasers agree to pay sellers' costs and reasonable attorneys' fees incurred in such proceeding and any appeal thereof.

(14) Any notice, declaration, demand or communication to be given by any party to this contract to any other party shall be in writing and transmitted to the other party by either personally delivering the notice or by certified or registered mail, return receipt requested, addressed as follows:

To Purchasers:

Fred A. and Annette Newman
N.P. 0.11R Little Soda Springs Rd.
Carson, Washington 98610

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXX

To Sellers:

James D. and Myra J. Richardson
N.P. 0.37 High Bridge Road
Carson, Washington 98610

Any party may change their address by giving written notice to the other party in the manner provided above, provided that in no event shall sellers be required to send any notice to more than two (2) addressees. The mailing and registering or

certifying of any such notice as herein provided shall be sufficient service thereof. Service shall be complete when such notice is registered or certified and placed in the United States mail as shown by the cancellation stamp or postage meter stamp, as the case may be.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first written above.

Fred A. Newman
FRED A. NEWMAN

Annette Newman
ANNETTE NEWMAN

James D. Richardson
JAMES D. RICHARDSON

Nora J. Richardson
NORA J. RICHARDSON

STATE OF WASHINGTON

County of Skamania

On this day personally appeared before me FRED A. NEWMAN and ANNETTE NEWMAN, 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 11th day of September, 1990.

John C. Tipton
Notary Public and for the
State of Washington, residing
at Stevenson.

7702

No. _____
TRANSACTION EXCISE TAX

SEP 15 1990
Amount Paid \$452.00

Skamania County Treasurer
By William J. Carmichael Dep.

EXHIBIT "A"

A tract of land in the North 37.5 rods of the Southwest Quarter of the Northwest Quarter of Section 17, Township 3 North, Range 8 East of the Willamette Meridian, lying Southerly of the Southerly right of way line of the Bonneville Power Administration's McNary-Ross transmission line, more particularly described as follows:

Beginning at the Northeast corner of the Southwest Quarter of the Northwest Quarter of the said Section 17, said point being marked by an iron rod; thence South 1°22'10" West along the East line of the Southwest Quarter of the Northwest Quarter of said Section 27, 333.15 feet to the Southerly line of the McNary-Ross transmission line right of way being the true point of beginning; thence South 1°22'10" West 881.60 feet; thence North 88°35'40" West 881.48 feet to the Southerly line of said transmission line right of way; thence following said right of way line North 61°43'30" East 581.63 feet; thence North 8°37'40" East 402.25 feet to the point of beginning.