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BOOK 6 PAGE 786

LEASE AGREEMENT

Lease made JUNE 7, 1983, between COLUMBIA GORGE BANK, a Washington banking institution of Stevenson, Washington, herein referred to as lessor, and LAURANCE E. ARMOUR and JANICE L. ARMOUR, husband and wife, of P.O. Box 135, N. Bonneville, Washington, herein referred to as lessee.

In consideration of the mutual covenants contained herein, the parties agree as follows:

SECTION ONE

DESCRIPTION OF PREMISES

Lessor leases to lessee a portion of the premises known as COLUMBIA GORGE BANK, WIND RIVER BRANCH, located at Carson, County of Skamania, State of Washington, consisting of approximately 900 square feet of office space (area approximately 45' x 20') located on real property, and described more particularly as follows:

The south 157 feet of the west 140 feet of the Northeast Quarter of the Southeast Quarter (NE 1/4 SE 1/4) of Section 20, Township 3 North, Range 8 E. W. M.; EXCEPT all county road rights of way.

Grantee by the acceptance of this conveyance covenants to and with the Grantors, their heirs, and assigns, that said premises will be used only for banking or office building purposes for a period of 15 years from the date hereof.

SECTION TWO

TERMS

The term of this lease is nineteen (19) months, beginning on JUNE 1, 1983, and terminating on DECEMBER 31, 1984.

SECTION THREE

RENT

The total rent under this lease is FOUR THOUSAND FOUR HUNDRED DOLLARS (\$4,400.00). Lessee shall pay lessor that amount in instalments of TWO HUNDRED DOLLARS (\$200.00) each month, beginning on June 1, 1983,



with succeeding payments due on the first day of each month thereafter during the year of 1983. Commencing with January 1, 1984, lessee shall pay the lease amount in instalments of TWO HUNDRED FIFTY DOLLARS (\$250.00) each month with succeeding like payments due on the first day of each month thereafter during the remaining term of the lease.

SECTION FOUR

USE OF PREMISES

The premises are to be used for the purposes of a bookkeeping/accounting business. Lessee shall restrict its use to such purposes, and shall not use or permit the use of the premises for any other purpose without the written consent of lessor, or lessor's authorized agent.

Lessor retains access to and use of the storage area located on the premises as needed by lessor.

SECTION FIVE

RESTRICTIONS ON USE

Lessee shall not use the premises in any manner that will increase risks covered by insurance on the premises and result in an increase in the rate of insurance or a cancellation of any insurance policy, even if such use may be in furtherance of lessee's business purposes. Lessee shall not keep, use, or sell anything prohibited by any policy of fire insurance covering the premises, and shall comply with all requirements of the insurers applicable to the premises necessary to keep in force the fire and liability insurance.

SECTION SIX

WASTE, NUISANCE, OR UNLAWFUL ACTIVITY

Lessee shall not allow any waste or nuisance on the premises, or use or allow the premises to be used for any unlawful purpose.

SECTION SEVEN

UTILITIES

Lessor shall arrange and pay for all utilities furnished to the

premises for the term of this lease, including electricity, gas, water and sewer.

SECTION EIGHT

REPAIRS, ALTERATIONS, AND MODIFICATIONS

Lessor shall be responsible for all repairs to the side and exterior walls and the roof, all repairs necessitated by faulty workmanship in the construction of the building, and all repairs necessitated by casualty losses covered by casualty insurance provided herein.

Lessee shall be responsible for all repairs required as a result of the negligent acts of lessee or its agents and all repairs not required of lessor. All normal maintenance of the premises will be carried out by lessee. Lessee may, at its expense, alter or modify the premises to suit its needs, provided that written consent of lessor has first been obtained.

SECTION NINE

DELIVERY, ACCEPTANCE, AND SURRENDER OF PREMISES

Lessor represents that the premises are in fit condition for use by lessee. Acceptance of the premises by lessee shall be construed as recognition that the premises are in good state of repair and in sanitary condition. Lessee shall surrender the premises at the end of the lease term, or any renewal thereof, in the same condition as when lessee took possession, allowing for reasonable use and wear, and damage by acts of God, including fires and storms. Before delivery, lessee shall remove all business signs placed on the premises by lessee if requested by lessor in writing, and restore the portion of the premises on which they were placed in the same condition as when received.

SECTION TEN

PARTIAL DESTRUCTION OF PREMISES

Partial destruction of the leased premises shall not render this lease void or voidable, nor terminate it except as herein provided. If

the premises are partially destroyed during the term of this lease, lessor shall repair them when such repairs can be made in conformity with governmental laws and regulations, within 90 days of the partial destruction. Written notice of the intention of lessor to repair shall be given to lessee within 20 days after any partial destruction. Rent will be reduced proportionately to the extent to which the repair operations interfere with the business conducted on the premises by lessee. If the repairs cannot be made within the time specified above, lessor shall have the option to make them within a reasonable time and continue this lease in effect with proportional rent rebate to lessee as provided for herein. If the repairs cannot be made in 90 days, and if lessor does not elect to make them within a reasonable time, either party shall have the option to terminate this lease.

SECTION ELEVEN

ENTRY ON PREMISES BY LESSOR

Lessor reserves the right to enter on the premises at reasonable times to inspect them, perform required maintenance and repairs, or make additions, alterations, or modifications to any part of the building in which the premises are located, and lessee shall permit lessor to do so. Lessor may erect scaffolding, fences, and similar structures, post relevant notices, and place moveable equipment in connection with making alterations, additions, or repairs, all without incurring liability to lessee for disturbance of quiet enjoyment of the premises, or loss of occupation thereof.

SECTION TWELVE

NONLIABILITY OF LESSOR FOR DAMAGES

Lessor shall not be liable for liability or damage claims for injury to persons or property from any cause relating to the occupancy of the premises by lessee, including those arising out of damages or losses occurring on sidewalks and other areas adjacent to the leased premises during the term of this lease or any extension thereof. Lessee

shall indemnify lessor from all liability, loss, or other damage claims or obligations resulting from any injuries or losses of this nature.

SECTION THIRTEEN

LIABILITY INSURANCE

Lessee shall procure and maintain in force at his expense within 60 days of the execution of this lease and any extension thereof public liability insurance with insurers and through brokers approved by lessor. Such coverage shall be adequate to protect against liability for damage claims through public use of or arising out of accidents occurring in or around the leased premises. The insurance policies shall provide coverage for contingent liability of lessor on any claims or losses. The policies shall be delivered to lessor for keeping. Lessee shall obtain a written obligation from the insurers to notify lessor in writing at least 30 days prior to cancellation or refusal to renew any policy. If the insurance policies are not kept in force during the entire term of this lease or any extension thereof, lessor may procure the necessary insurance and pay and pay the premium therefor, and the premium shall be repaid to lessor as an additional rent instalment for the month following the date on which the premiums were paid by lessor.

SECTION FOURTEEN

TAXES

Lessor shall pay all real property taxes and assessments levied on the original premises. All taxes levied over and above that amount on the premises as existing at the commencement of this lease shall be paid by lessor. Any increase in real property taxes or assessments occasioned by alteration, addition, or modification to the premises shall be apportioned among the parties as agreed by them. Lessee shall pay all personal property taxes and assessments on all personal property owned or purchased by them during the term of this lease. Lessee shall pay all business taxes and license fees during the term of the lease.

SECTION FIFTEEN

FIRE INSURANCE

Lessor shall pay fire insurance premiums on the demised building in a sufficient amount to cover the entire building, including additions or improvements, if any, made by lessee during the term of this lease. Lessee shall be responsible to reimburse Lessor for any increase in premiums due to said additions or improvements. Such insurance shall name both lessee and lessor as insured in proportion to their interests in the building or its contents. Lessee shall provide all fire insurance required on the personal property that lessee moves onto the demised premises, and any casualty insurance desired by lessee, both at the expense of lessee.

The premiums paid by lessee on any insurance obtained by lessee shall not be considered as additional rent under this lease.

SECTION SIXTEEN

ASSIGNMENT, SUBLEASE, OR LICENSE

Lessee shall not assign or sublease the premises, or any right or privilege connected therewith, or allow any other person except agents and employees of lessee to occupy the premises or any part thereof without first obtaining the written consent of lessor. A consent by lessor shall not be a consent to a subsequent assignment, sublease, or occupation by other persons. An unauthorized assignment, sublease, or license to occupy by lessee shall be void and shall terminate the lease at the option of lessor. The interest of lessee in this lease is not assignable by operation of law without the written consent of lessor.

SECTION SEVENTEEN

BREACH

The appointment of a receiver to take possession of the assets of lessee, a general assignment for the benefit of the creditors of lessee, any action taken or allowed to be taken by lessee under any bankruptcy act, or the failure of lessee to comply with each and every term and condition of this lease shall constitute a breach of this lease. Lessee

shall have 30 days after receipt of written notice, from lessor of any breach to correct the conditions specified in the notice or if the

corrections cannot be made within the 30 day period, lessee shall have a reasonable time to correct the default if action is commenced by lessee within 15 days after receipt of the notice.

SECTION EIGHTEEN

REMEDIES OF LESSOR FOR BREACH BY LESSEE

Lessor shall have the following remedies in addition to its other rights and remedies in the event lessee breaches this lease agreement and fails to make corrections as set forth in Section Seventeen:

1. Lessor may re-enter the premises immediately and remove the property and personnel of lessee, store the property in a public warehouse or at a place selected by lessor, at the expense of lessee.
2. After re-entry lessor may terminate the lease on giving 20 days' written notice of termination to lessee. Without such notice, re-entry will not terminate the lease. On termination lessor may recover from lessee all damages proximately resulting from the breach, including the cost of recovering the premises and the worth of the balance of this lease over the reasonable rental value of the premises for the remainder of the lease term, which sum shall be immediately due lessor from lessee.

3. After re-entering, lessor may relet the premises or any part thereof for any term without terminating the lease, at such rent and on such terms as it may choose. Lessor may make alterations and repairs to the premises. The duties and liabilities of the parties if the premises are relet as provided herein shall be as follows:

(a) In addition to lessee's liability to lessor for breach of the lease, lessee shall be liable for all expenses of the reletting, for the alterations and repairs made, and for the difference between the rent received by lessor under the new lease agreement and the rent instalments that are due for the same period under this lease.

(b) Lessor at its option shall have the right to apply the rent received from reletting the premises, (1) to reduce lessee's indebtedness to lessor under the lease, not including indebtedness for rent, (2) to expenses of the reletting and alterations and repairs made, (3) to rent due under this lease, or (4) to payment of future rent under this lease as it becomes due.

If the new lessee does not pay a rent instalment promptly to lessor, and the rent instalment has been credited in advance of payment to the indebtedness of lessee other than rent, or if rentals from the new lessee have been otherwise applied by lessor as provided for herein, and during any rent instalment period, are less than the rent payable for the corresponding instalment period under this lease, lessee shall pay lessor the deficiency, separately for each rent instalment deficiency period, and before the end of that period. Lessor may at any time after such reletting terminate the lease for the breach on which lessor based the re-entry and relet the premises.

4. After re-entry, lessor may procure the appointment of a receiver to take possession and collect rents and profits of the business of lessee, and if necessary, to collect the rents and profits the receiver may carry on the business of lessee and take possession of the personal property used in the business of lessee, including inventory, trade fixtures, and furnishings and use them in the business without compensating lessee. Proceedings for appointment of a receiver by lessor, or the appointment of a receiver and the conduct of the business of lessee by the receiver, shall not terminate and forfeit this lease unless lessor has given written notice of termination to lessee as provided herein.

SECTION NINETEEN

ATTORNEY'S FEES

If lessor or lessee files an action to enforce any agreement contained in this lease, or for breach of any covenant or condition, the prevailing party shall, in addition to all other relief, be entitled to

reasonable attorney's fees for the services of their attorney in the action, all fees to be fixed by the court.

SECTION TWENTY

OPTION TO RENEW

Lessor may grant to lessee an option to renew this lease for an additional five (5) year term at a new rental amount as agreed upon by the parties at such renewal time. All other terms and conditions of the renewal lease to be the same as those herein. To exercise this option to renew, lessee must give lessor written notice of intention to do so at least 30 days before this lease expires.

In witness whereof, the parties have executed this lease at

STEVENSON, Washington, the day and year first above written.

COLUMBIA GORGE BANK,
LESSOR

Donald Schindler
DONALD SCHINDLER
EXECUTIVE VICE PRESIDENT

LESSEES

Laurence E. Armour
LAURANCE E. ARMOUR
Janice L. Armour
JANICE L. ARMOUR

STATE OF WASHINGTON)

County of SKAGHANIA) SS

On this 7TH day of JUNE A.D., 1983, before me personally appeared DONALD SCHINDLER, to me know to be the EXECUTIVE VICE PRESIDENT of the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed thereto is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Carlson
Notary Public in and for the State
Of Washington residing at CARLSON

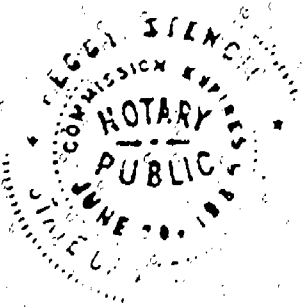


STATE OF WASHINGTON)
) ss
 County of SKAMANIA)

On this day personally appeared before me LAURANCE E. ARMOUR and JANICE L. ARMOUR, 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.

IN WITNESS WHEREOF, I have set my hand and official seal this 7TH day of JUNE, 1983.

[Signature]
 Notary Public for Washington
 residing at ARSON therein.



STATE OF WASHINGTON) ss
 COUNTY OF SKAMANIA)
 I HEREBY CERTIFY THAT THE WITHIN

INSTRUMENT OF WRITING WAS BY

OF Skamania Co

AT 3:00 ON 7-7-83

WAS RECORDED IN

OF Agree Lease 786

RECORD OF SKAMANIA

Shirley M. Olson

E. Miller

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