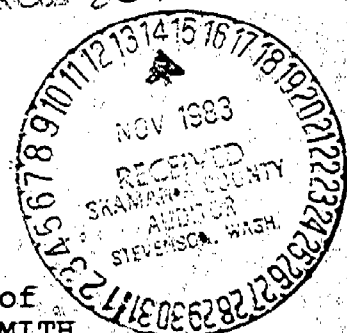


96673



REAL ESTATE CONTRACT

THIS CONTRACT, made and entered into this 10th day of November, 1983, between EDWARD E. SMITH and PATRICIA J. SMITH, husband and wife, hereinafter called the "sellers", and GERALD R. BRANTON and ANITA E. BRANTON, 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:

That portion of the Southwest Quarter of the Southwest Quarter of Section 25, Township 3 North, Range 7 East of the Willamette Meridian, lying Westerly of County Road No. 2062, designated as Kanaka Creek Road described as follows:

Beginning at the intersection of the Westerly Line of Kanaka Creek Road and the South Line of said Section 25; thence West along the South line of the said Section 25 a distance of 772 feet; thence North 15° 43' East 982.7 feet; thence South 50° 44' East 275 feet; thence South 26° 03' East 383.6 feet; thence South 16° 47' East 447.8 feet to the point of beginning;

Except a strip of land 300 feet in width acquired by the United States of America for the Bonneville Power Administration's Bonneville-Coulee No. 1 and 2 transmission lines;

And except that portion thereof lying Northerly of a transmission line easement 87 1/2 feet in width granted to the United States of America by Deed dated May 7, 1963, and recorded May 17, 1963, at Page 292 of Book 51 of Deeds, Under Auditor's File No. 61544, records of Skamania County, Washington.

The terms and conditions of this contract are as follows:

1. The purchase price is Twenty-Five Thousand Dollars (\$25,000.00), of which Three Thousand Dollars (\$3,000.00) has been paid, the receipt whereof is hereby acknowledged, and the balance of said purchase price shall be paid as follows:

a. \$278.79 or more at purchasers' option, on or before the 16th day of November, 1983, and \$278.79, or more at purchasers' option on or before the 16th day of each succeeding calendar month through and including April, 1987 or until such time as that certain mortgage referred to in section 11(b) hereof has been paid in full, if the date of such event is other than April 16, 1987.

b. \$250.00, or more at purchasers' option, on or before the 16th day of May, 1987, or on or before the 16th day of the first calendar month following such time as that certain mortgage referred to in section 11(b) has been paid in full, whichever shall occur first, and \$250.00, or more at purchasers' option, on or before the 16th day of each succeeding calendar month until the balance of the purchase price shall have been paid in full.

Transaction in compliance with County subdivision ordinances. By: Skamania County Assessor



Registered
Indexed
Indirect
Recorded
Mailed

c. Purchasers agree to pay interest on the diminishing balance of the purchase price at the rate of 12% per annum from November 10th, 1983.

2. All payments to be made hereunder shall be made at Columbia Gorge Bank, Stevenson, Washington or at such other place as the sellers may direct in writing.

3. As referred to in this contract, "date of closing" shall be November 10th, 1983.

4. Purchasers may at their option pay the entire balance of the purchase price remaining due, or any part of such balance, at any time before maturity, without notice to sellers and without penalty.

5. The purchasers assume and agree to pay before delinquency all taxes and assessments, including but not limited to any governmental improvement assessments or charges that may as between grantor and grantee hereafter become a lien on said real estate. Upon request by sellers, purchasers will show proof of said payments.

6. The purchasers agree that full inspection of said real estate has been made and that neither the sellers nor their assigns shall be held to any covenant respecting the condition of any improvements thereon nor shall the purchasers or sellers or the assigns of either be held to any covenant or agreement for alterations, improvements or repairs unless the covenant or agreement relied on is contained herein or is in writing and attached to and made a part of this contract.

7. The 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.

8. The purchasers agree to 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 endorsements 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 cannot be amended or cancelled without ten (10) days' written notice to sellers.

9. The purchasers assume all risk hereafter placed on said real estate or of the taking of said real estate or any part thereof for public use and agree that any such taking shall not

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.

10. Purchasers shall not be entitled to cut or remove any timber from the property without sellers' prior written consent.

11. 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 therefor, issued by Safeco Title Insurance Company, 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. Mortgage, to secure an indebtedness, including any interest, advances, or other obligations secured thereby, in the principal amount of \$15,000.00; dated September 12, 1978, recorded September 18, 1978, Mortgagee, Columbia Gorge Bank, Mortgagors, Edward E. Smith and Patricia J. Smith.

c. A transmission line easement 87½ feet in width granted to the United States of America by deed dated May 7, 1963, and recorded May 17, 1963, at Page 292 of Book 51 of Deeds, under Auditor's File No. 61544, records of Skamania County, Washington.

d. Easements and rights of way for County Road No. 2062, designated as Kanaka Creek Road.

12. Sellers' title to said real estate is subject to an existing mortgage described in section 11(b) above, and 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.

13. 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 those listed in paragraph 11(a), 11(c) and 11(d) hereof.

14. 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 to keep any improvements on said real estate in good repair and not to permit waste 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.

15. 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.

16. In case the purchasers fail to make any payment herein provided, the sellers may make such payment, and any amounts so paid by the sellers, together with interest at the rate of 12% per annum thereon from date of payment until repaid, shall be repayable by purchasers on sellers' demand, all without prejudice to any other right the sellers might have by reason of such default.

17. Time and the covenants of purchasers are of the essence of this contract, and it is agreed that in case the purchasers shall fail to comply with or perform any condition or agreement hereof or to make any payment required hereunder promptly at the time and in the manner herein required, the 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 amounts, 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 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 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. 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.

18. 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:

Gerald R. and Anita Branton

M.P. .95 L Kanaka Creek

Stevenson, WA 98648

To Sellers:

Edward E. and Patricia J. Smith

P.O. Box 322

Stevenson, WA 98648

Either party may change its 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.

If the sellers shall bring suit to procure an adjudication of the termination of the purchasers' rights hereunder, and judgment is so entered, the purchasers agree to pay a reasonable sum as attorney's fees and all costs and expenses in connection with such suit, and also the reasonable cost of searching records to determine the condition of title at the date such suit is commenced, which sums shall be included in any judgment or decree entered in such suit.

Sellers:

Edward E. Smith

Patricia J. Smith

Purchasers:

Gerald R. Branton

Anita E. Branton

STATE OF WASHINGTON)
) ss.
County of Skamania)

GIVEN under my hand and official seal this 10th day of November, 1983.

Notary Public in and for the
State of Washington, residing
at Stevenson.

50.

3142

Abstract

NOV 14 1983

Amount Paid: 214.00

Siskiyou County Treasurer

By James H. [Signature]