

98091

REAL ESTATE CONTRACT

Page 03

PAGE 025

August 2, 1984

Sellers, ARTHUR C. BEAGLE and DOLORES Y. BEAGLE, husband and wife, residing at 7704 N.E. 61st Avenue, Vancouver, Washington 98661 agree to sell to Purchaser, Richard A. Smith, a single man, whose mailing address is P.O. Box 244, LaCenter, Washington 98629 and Purchaser agrees to buy from Sellers, the following property in Skamania County, Washington:

1. DESCRIPTION OF PROPERTY:

Lot 4 of Marble Mountain Retreat, recorded in Book "B", Page 5, records of Skamania County, Washington.

9974

Subject to easements and restrictions of record.

AUG 2 1984

Amount Paid 107.00

Skamania County Treasurer

PURCHASE PRICE:

The purchase price is \$10,000.00 of which \$1,500.00 was paid in the form of a check at the time of execution of this Agreement. The balance of the purchase price of \$8,500.00 shall be paid in monthly installments of \$100.00 per month beginning on the 15th day of June, 1984, and continuing monthly thereafter until the principal and interest are paid in full. The purchase price will, at all times, bear interest at the rate of 12% per annum and from each payment shall first be deducted interest which has accrued to date and the balance thereof shall be applied to principal.

3. POSSESSION:

Purchaser shall be entitled to possession of the property on the date of closing unless otherwise specified in writing between the parties.

4. ASSESSMENTS AND TAXES:

Purchaser shall pay, before delinquency, all taxes, assessments, water rents or water assessments, utility charges,

and operation or construction charges not now delinquent, and all other charges, of any type whatsoever, levied or assessed against the property and hereafter falling due; including, but not limited to, real estate taxes and personal property taxes, of any type whatsoever except for any such fee, assessment or tax incurred by the Sellers prior to execution of this agreement. In the event any taxes, assessments, rents or charges, levies or fees, of any type whatsoever, may remain unpaid by the Purchaser and are paid by Sellers, Purchaser shall promptly reimburse Sellers. Upon failure of Purchaser to pay any such delinquent tax, assessment or fee, of any type whatsoever, Sellers may, at their option, pay any such tax, assessment, rent or charge, and any amount so paid shall be added to and be secured in the same manner as the unpaid purchase price, and shall bear interest at the highest rate of interest allowed by law for an installment sales contract at the time of the payment by Sellers and will be immediately due and payable.

The real property taxes for the tax year 1984 shall be prorated between the parties dependent upon the relative time of possession of each party.

5. IMPROVEMENTS:

All improvements now or hereafter made to or placed on the property shall become a part thereof and shall not be removed until the Contract balance is paid in full.

6. FUTURE LIENS, CHARGES & ENCUMBRANCES:

Purchaser shall pay, before delinquency, all debts secured by liens, charges or encumbrances hereafter lawfully imposed on the property, which are assumed by Purchaser under this contract or subject to which this purchase and sale is made; and shall not allow any part of the property to become subject to liens, charges or encumbrances having priority over the

rights of the Sellers in the property. Purchaser shall not, however, be responsible for any liens or encumbrances, or payment of the obligation secured, thereby imposed upon said property subsequent to the date of this contract by or through the Sellers, unless such liens, encumbrances or obligations are expressly assumed by Purchaser. The act of Purchaser allowing a lien, charge or encumbrance to attach to the property which would have priority over the rights of the Sellers hereunder is an act of default and a substantial breach of this agreement.

7. EXISTING MORTGAGE OR SECURED OBLIGATION:

Unless it is otherwise provided herein, in the event that there is now a mortgage or other secured obligation upon the property, Sellers shall save Purchaser harmless with regard thereto and timely pay all installments falling due. In the event that Sellers fail to make any such payment when due, then Purchaser may make payment and receive credit for the amount thereof against payments next falling due under this Contract.

8. FIRE AND CASUALTY INSURANCE:

The Purchaser agrees, until the purchase price is fully paid, to keep the buildings now and hereafter placed on the property insured to the actual cash value thereof against loss or damage by fire or casualty with extended coverage in a company acceptable to the Sellers and for the Sellers' benefit, as their interest may appear, and to pay all premiums therefor and to deliver all policies and renewals thereof to the Sellers.

9. INSPECTION AND USE OF PREMISES:

Purchaser shall not make nor allow any unlawful use of the property. Purchaser agrees that a full inspection of the premises has been made. The Sellers shall not be liable under any agreement with respect to condition of the premises or the provision of any service, installation or maintenance or

construction charges for sewer, water or electricity, or for alterations, improvements or repairs to the property, unless the agreement is in writing and attached to this Contract.

This sale is "AS IS".

10. INSURANCE PROCEEDS, DISPUTE ARBITRATED:

In the event of the destruction of any of the improvements contained on the property or hereafter placed on the property, by fire or other casualty, all the monies received by the Sellers by reason thereof, less any sum which the Sellers may be required to expend in procuring such money, shall be applied to the rebuilding or restoration of the premises; unless within 15 days after Sellers learn of the fire or casualty, Sellers give written notice to Purchaser that Sellers have elected to apply the insurance proceeds as a payment on account of the purchase price of the property rather than to rebuilding or restoration of the premises. Within 15 days after the date of Sellers' election, Purchaser may elect to have the decision as to the use of the fire insurance proceeds submitted to arbitration in accordance with the arbitration statutes of the State of Washington then in existence. Purchaser shall nominate one arbitrator in his notice of election.

Thereafter, Sellers shall then nominate one arbitrator within 5 days. The two arbitrators so nominated shall elect a third arbitrator. The arbitrators shall examine into the equities of the situation and render a decision as to the use of the insurance proceeds which shall be final and binding on all parties. The cost of arbitration shall be shared equally between the Sellers and Purchaser.

11. CONDEMNATION:

If the property, or any part shall be taken and condemned, such taking shall not be a ground for rescission of this Contract. The award made for the taking shall be deemed to be

the property of the Purchaser, but shall be paid to Sellers to apply upon the purchase price, not exceeding any amounts then unpaid hereunder.

12. ASSIGNMENT OR TRANSFER:

It is agreed that no assignment of this Contract or sale of the property, or any part thereof by the Purchaser shall be valid. In this regard, it is understood by the parties that the Sellers are relying on the personal integrity of the Purchaser and upon Purchaser's financial statement in the sale and purchase of this property. If, at any time, the Purchaser desires to sell, assign or transfer the property being sold, it will be necessary for Purchaser to pay to Sellers in full, including both principal and interest, provided that the Sellers reserve the right to permit an assignment of Contract or sale of the property or transfer of the property upon request of the Purchaser and upon determining the stability and financial resources of a new buyer as being satisfactory to the Sellers. The Sellers also reserve the right to renegotiate the interest rate and the amount of the monthly payments being applied against the then existing principal balance of the Contract on any such assignment, sale or transfer.

13. DESTRUCTION OF PREMISES:

In the event of damage to or destruction of any building or improvements on the property, such damage as between the parties shall be the loss of Purchaser and shall not be a ground for rescission of this Contract or abatement of the purchase price.

14. FULFILLMENT DEED:

When Purchaser has fully performed this Contract, Sellers shall execute and deliver to Purchaser a Statutory Warranty Fulfillment Deed conveying the property free and clear of all encumbrances except any encumbrances agreed to by the

Purchaser. Warranties of Sellers are limited to the date of this Contract, except for affirmative acts of Sellers thereafter.

15. TITLE OF INSURANCE:

Sellers shall, at Seller's cost, obtain a standard Purchaser's form policy of title insurance showing insurable title in Sellers as of the date of this Contract, excepting matters therein expressly agreed to by Purchaser or herein expressly provided to be satisfied by Sellers, and insuring Purchaser for the amount of the purchase price of the real property to be sold. Any subsequent policies of title insurance or preliminary commitments for title insurance shall be paid for by Purchaser.

16. ADVANCEMENTS BY SELLERS:

In case Purchaser fails to make any payment to others as herein provided, or to maintain insurance if required herein, or to pay any taxes, fees assessments, of any type whatsoever, against the property while Purchaser is in possession, the Sellers may make such payment or effect such insurance, and any amount so paid by the Sellers, together with interest at the highest rate allowed by law at the time the advancement is made until repayment, shall be repayable by Purchaser on Sellers' demand, all without prejudice to any other rights the Sellers may have by reason of such default.

17. REMEDIES:

Time is of the essence of this Contract and, in the event that Purchaser fails to make any payment or perform any covenant or condition under this Contract, Sellers shall have the right, at their option, to:

A. Declare a Forfeiture of and Cancel Contract and Purchaser's Interest in and to said Contract. By service of a Notice of Intention to Declare Forfeiture of and

Cancel Contract to Purchaser, or mailing registered return receipt requested or to their last known address, or the address below given, or to the address of said property. The notice shall specify the matters where the property is in default. In the event Purchaser fails to cure the default or make payment of any sums due, within 30 days of notice having been given, then Purchaser's interest shall be deemed forfeited and canceled without further notice to Purchaser. In the event of notice of default, no default shall deem to be cured unless all attorney fees are paid in addition to any delinquencies set out in said notice.

In the event Sellers are required to institute the non-judicial forfeiture provision of this Contract, the Purchaser agrees to pay a reasonable attorneys fee together with all costs and expenses incurred in connection with the non-judicial forfeiture procedure including, but not limited to, costs of service of process, examination of title and registered mailings. In the event of non-judicial forfeiture, including a Notice of Intention to Declare Forfeiture of and Cancel Contract, and upon Purchaser's failure to comply with the terms of that notice within 30 days from delivery or mailing of said notice, then, without further notice to Purchaser or Declaration of Forfeiture, the notice shall become absolute and this Contract shall become null and void, and Purchaser shall immediately and peaceably surrender possession of the property and all rights of Purchaser under this Contract and to the property shall immediately cease and title to the property, together with all improvements (whether or not made by Purchaser) and all growing crops shall be vested in Sellers without

any right of Purchaser to reclamation or compensation from monies paid, improvements or growing crops; and all money previously paid under this Contract shall be forfeited without process of law and shall be retained by and belong to Sellers as liquidated damages;

In the event Sellers elect and institute a non-judicial forfeiture process against the Purchaser and Purchaser neglects or refuses to peacefully vacate the property and Sellers are required to institute an action for unlawful detainer in a Court of appropriate jurisdiction, the Sellers shall be entitled upon an Order of Restitution to have the reasonable rental value of the property from the time the Purchaser or anyone acting by, through or under the Purchaser shall have been deemed to have wrongfully withheld the property from Sellers and shall, upon such an adjudication, have awarded a reasonable attorneys fee and Court costs incurred in that action.

B. Specific Performance and/or Action for Intermediate Payments: At Sellers' election, the Sellers may bring an action for specific performance and/or may sue for the amount of any payment or payments which have come due and this election by Sellers shall not be dependent upon delivery of title.

C. Acceleration and Money Judgment: May be had by declaring the entire Contract balance unpaid under this Contract due and institute suit to collect such amounts, together with reasonable attorney fees; provided that if, within 30 days after the commencement of this action, Purchaser cures all alleged breaches of covenants or conditions subsequent to the commencement of the action together with payment to Sellers of Sellers' action

attorney fees and taxable costs, this Contract shall be reinstated.

Abandonment by Purchaser of the property while in default shall allow the Sellers to take immediate possession of the property for the purpose of protecting and preserving the property and Sellers may mitigate damages by renting or operating the property during the period of enforcement of Sellers' rights under this Contract without prejudicing Sellers' remedies under this Contract.

Any extension of time to make payments or acceptance or part thereof, or failure of Sellers to enforce promptly any other breach of this Contract by Purchaser shall not be construed as a waiver on the part of Sellers of the strict performance of all of the covenants and conditions herein, and shall not prejudice any of Sellers' remedies.

D. Purchaser's Acknowledgement of Personal Money

Judgment: Purchaser agrees that he has considered the terms of this Agreement as to the remedies provided to the Sellers and are aware that one or more of these remedies could result in a personal money judgment against the Purchaser that the Sellers are not bound to elect any one of these remedies as opposed to any other. In the event of a personal money judgment against the Purchaser, the Sellers would not necessarily be required to take back the property conveyed subject to this Real Estate Contract but can elect to proceed against other property and assets of the Purchaser to collect any personal money judgments that might be obtained under the terms of this Contract. Purchaser acknowledges his acceptance of this risk.

18. WASTE AND UPKEEP:

Purchaser shall maintain the property and all improvements now or later placed on the property in a good state of repair, and shall not commit nor allow to be committed, any WASTE on the property.

19. ZONING:

The property herein is subject to the zoning ordinances of Skamania County, Washington. The Sellers do not make any warranties relating to the present zoning of the property or to the manner in which the property may be effected by future zoning actions of the zoning authorities of Skamania County, Washington.

20. ATTORNEY FEES:

If this Contract or any obligation contained in it is referred to an attorney for collection or suit, all costs incurred with such attorneys shall be paid by Purchaser, or, in the event of litigation the prevailing party shall pay the costs of the other for attorney's fees, Court costs, sheriff's service fee, necessary discovery depositions and other Court costs provided by law.

21. NOTICES:

It is expressly agreed between the parties that notices concerning default, acceleration, forfeiture and default for failure to pay taxes, insurance, fees or assessments, of any type whatsoever, shall be sent by registered mail, to Purchaser at the following address: , LaCenter, Washington. Purchaser shall be deemed to have received said notice upon proof by Sellers of having posted said notice by registered mail.

22. PAYMENT:

All payments, of any type whatsoever, shall be made to Sellers at P.O. Box 4044, Vancouver, Washington 98662, or such

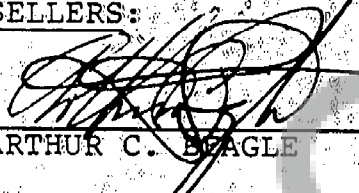
other address as Sellers may later provide to Purchaser so long as Sellers notification is in writing and given within 10 days of the time any payment is due.

23. LATE PAYMENT CHARGE:

All payments called for in this agreement shall be made on or before the 15th day of each month and any payment not made within 10 days of the 15th day of the month shall be deemed a late payment. The charge for failing to pay the payment on time, or within the grace period provided, shall be \$5.00 for each month during which the payment is late.

IN WITNESS WHEREOF, the parties hereto have signed this instrument in duplicate the date and year first above written.

SELLERS:


ARTHUR C. BEAGLE


DOLORES Y. BEAGLE

PURCHASER:

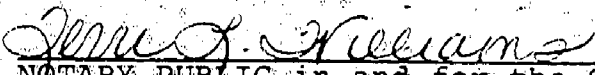

RICHARD A. SMITH

STATE OF WASHINGTON)
County of Clark) ss.

On this day personally appeared before me ARTHUR C. BEAGLE and DOLORES Y. BEAGLE, 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 1 day of

August, 1984.


NOTARY PUBLIC in and for the State of Washington, residing at Vancouver.

98091

STATE OF WASHINGTON)
County of Clark : ss.

On this day personally appeared before me RICHARD A. SMITH 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.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 2 day of

August, 1984.

Paul A. Williams
NOTARY PUBLIC in and for the State of
Washington, residing at Vancouver.



STATE OF WASHINGTON)
COUNTY OF CLARK)
I HEREBY CERTIFY THAT THE WITHIN
INSTRUMENT WAS FILED BY
ROBERT D. MITCHELSON
900 SE CHALKOV DRIVE
VANCOUVER, WA 98664
AT 1:30 P. AUG. 24 1984
V. 83
OED 825
COUNTY WITH
Jm Olson
COUNTY AUDITOR
J. D. DEPUTY