

REAL ESTATE CONTRACT

THIS AGREEMENT, made and entered into this 4th day of September, 1984, by and between HOWARD H. GRIFFING and AGNES M. GRIFFING, husband and wife, hereinafter called the "Sellers", and TOM MATULOVICH and DOROTHY HEPNER, as Tenants in Common, hereinafter called the "Purchasers", WITNESSETH:

That the Sellers agree to sell and the Purchasers agree to purchase the following described real estate, with the appurtenances thereon, to-wit:

Lot 1 of Revised Griffing Short Plat, recorded in Book 2 of Short Plats at Page 185, records of Skamania County, Washington, particularly described as follows:

The Southeast Quarter of the Southwest Quarter of the Northwest Quarter, and the South 100 feet of the Northeast Quarter of the Southwest Quarter of the Northwest Quarter of Section 35, Township 4 North, Range 7 East of the Willamette Meridian;

SUBJECT to easement delineated on face of said Plat for 'Griffing Road' affecting Lots 1 through 3 of said Short Plat.

situated in Skamania County, State of Washington, on the following terms:

1. Purchase Price. The total purchase price is FORTY THOUSAND and no/100 DOLLARS (\$40,000.00), of which the sum of FIVE THOUSAND and no/100 DOLLARS (\$5,000.00) has this day been paid by Purchasers, the receipt of which is hereby acknowledged by Sellers, and the balance of THIRTY-FIVE THOUSAND and no/100 DOLLARS (\$35,000.00) is to be paid in the amounts and at the times stated as follows:

In monthly installments of THREE HUNDRED THIRTY-SEVEN and no/100 Dollars (\$337.00) each, beginning with the 1st day of September, 1984, and continuing monthly thereafter over a period of twenty (20) years, until the whole balance of the purchase price, both principal and interest, shall have been fully paid, subject to paragraph 2 below. The unpaid balance of the purchase price shall at all times bear interest at 10% per annum, and from each payment shall first be deducted interest to date and the balance shall be applied on principal. Permission is especially granted to Purchasers to make larger payments at any time, or to pay the contract in full, and interest shall immediately cease on all payments so made.

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ARL:RAC 3/5/85

SIGNED BY:

2. Other Terms of Payment. The Purchaser, TOM MATULOVICH; is the owner of certain real property located in Carson, Skamania County, State of Washington; to-wit:

Lot 12 of CARSON VALLEY II according to the official plat thereof on file and of record at page 155 of Book A of Plats, records of Skamania County, Washington;

and is contemplating the sale thereof. That upon the sale of said property the Purchaser, TOM MATULOVICH, agrees to pay such amount of the proceeds therefrom as will satisfy and extinguish the unpaid principal and interest of this contract.

3. Date of Possession. It is agreed that the Purchasers shall have possession of said premises from the 4th day of Sept., 1984, provided that all the terms and provisions of this agreement are fully complied with.

4. Taxes and Assessments. Taxes and assessments due on the subject property on date of closing shall be pro-rated between the parties. Subsequent thereto, the Purchasers agree to pay all taxes and assessments legally levied against said property before the same shall become delinquent.

5. Insurance. Purchasers agree to keep and maintain insurance on the improvements on said premises in the amount of the purchase price. Purchasers also agree to assume all hazards of damage to or destruction of any improvements on said premises; and agree to keep the buildings and all improvements on the premises in good condition and repair and not to permit waste; and agree not to use the premises for any illegal purpose.

6. Failure to Make Payments. In the event the Purchasers fail to make any payment hereinbefore provided in paragraphs 4 and 5, the Sellers may pay such taxes or assessments and effect such insurance, and any amount so paid by the Sellers shall be deemed a part of the purchase price and shall become due and payable forthwith, with interest at the rate of 12% per annum until paid, without prejudice to any other rights of Sellers by reason of such failure.

7. Premises - Inspection. The Purchasers agree that a full inspection of the premises has been made and that neither the Sellers

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nor their assigns shall be liable under any covenants respecting the condition of the premises or for any agreement for alterations, improvements or repairs unless the covenant or agreement relied upon is in writing and is attached to and made a part hereof.

8. Title Insurance. The Sellers agree to procure within ten days of the date hereof, a Purchasers' Policy of Title Insurance, insuring the Purchasers to the full amount of the purchase price against loss or damage by reason of defect in the title of the Sellers to the real estate herein described or of reason of prior liens not assumed by the Purchasers in this agreement.

9. Warranty Deed. The Sellers agree, on full payment of the purchase price and interest in the manner hereinbefore specified, to execute and deliver to Purchasers a Warranty Deed to the real estate, excepting any part which may hereafter be condemned, free and clear of encumbrances, except those mentioned herein and any that may accrue hereafter through any person other than the Sellers.

TIME IS OF THE ESSENCE of this agreement. If the Purchasers shall fail to comply with or perform any covenant or agreement hereof promptly at the time and in the manner herein required, the Sellers may elect to declare a forfeiture by written notice to the Purchasers, and at the expiration of thirty (30) days thereafter this agreement shall be at an end and null and void if in the meantime the terms of this agreement have not been complied with by the Purchasers. In such event and upon Sellers doing so, all payments made by the Purchasers hereunder and all improvements placed upon the premises shall be forfeited to the Sellers as liquidated damages, and the Sellers shall have the right to re-enter and take possession. Service of all demands and notice with respect to such declaration or forfeiture and cancellation may be made by certified mail at the following address: STARK ROUTE, (CROSSING), W.V., or at such other address as the Purchasers shall indicate to the Sellers in writing.

OR, IN ADDITION TO THE REMEDY SET OUT ABOVE, the Sellers may bring an action, or actions, on any intermediate overdue payment,

