

REAL ESTATE CONTRACT

THIS CONTRACT, made and entered into this 16th day of January, 1987, between ROBERT CALLAHAN and CONNIE CALLAHAN, husband and wife, and JAMES CALLAHAN, a single person, hereinafter called the "sellers", and MAYNARD HOLMES and CARLIE M. HOLMES, 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:

Lot 3 of SPENCER GARWOOD SHORT PLAT filed May 26, 1983, in Book 3 of Short Plats at Page 47, records of Skamania County, Washington.

The terms and conditions of this contract are as follows:

Price and Payment Terms

1. The purchase price is Eight Thousand and No/100, (\$8,000.00) of which One Thousand and No/100 (\$1,000.00) has been paid, the receipt whereof is hereby acknowledged, and the balance of said purchase price shall be paid as follows:

a. Fifty (\$50.00) Dollars, or more at purchasers' option, on or before February 16, 1987, and Fifty (\$50.00) Dollars or more at purchasers' option, on or before the 16th day of each succeeding calendar month thereafter until the balance of said purchase price shall have been fully paid.

b. The purchasers further agree to pay interest on the diminishing balance of said purchase price at the rate of ten per cent (10%) per annum from the 16th day of January, 1987, which interest shall be deducted from each installment payment and the balance of each payment applied in reduction of principal.

c. PROVIDED, the parties acknowledge that purchasers are presently attempting to sell certain real estate located in Home Valley, County of Skamania, State of Washington, and the parties agree that at such time as purchasers may sell said real estate purchasers will pay the entire principal balance then remaining unpaid including interest due to the date of pay-off.

2. All payments to be made hereunder shall be made at First Independent Bank, Stevenson, Washington, Account Number 21-124276, or at such other place as the sellers may direct in writing.

3. As referred to in this contract, "date of closing" shall be January 16, 1987.

Pro-rated Taxes and Insurance

4. Both taxes and insurance shall be pro-rated as between sellers and purchasers as of the date of possession.

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

11188

REAL ESTATE EXCISE TAX

JAN 23 1987

PAID 851.00

Robert Callahan, James Callahan,
MAYNARD HOLMES, CARLIE M. HOLMES
SKAMANIA COUNTY TREASURER



between grantor and grantee hereafter become a lien on said real estate. Upon request by sellers, purchasers will show proof of said payments.

Inspection

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.

a. 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.

Taking

7. 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 agree in writing 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.

Insurance

8. The purchasers agree to keep any improvements or future improvements located on the property 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 canceled without ten (10) days written notice to sellers.

9. 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.

Deed

10. 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 standard policy exceptions.

Possession

11. 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.

Use of Premises

12. Purchasers covenant and agree to make or permit no unlawful, offensive or improper use of the premises or any part thereof.

Assignment

13. 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.

14. 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 and Repossession. The sellers may cancel and render void all rights, titles and interests of the purchasers and successors in this contract and in the property (including all of purchasers' then existing rights, interests and estates therein and improvements thereon) by giving a Notice of Intent to Forfeit pursuant to RCW 61.30.040-070, and said cancellation and forfeiture shall become effective if the default therein specified has not been fully cured within ninety (90) days thereafter and the sellers record a Declaration of Forfeiture pursuant to RCW 61.30.040-070. Upon the forfeiture of this contract the sellers may retain all payments made hereunder by the purchasers and may take possession of the property ten (10) days following the date this contract is forfeited and summarily eject the purchasers and any person or persons having possession of the said property by, through or under the purchasers who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture. In the event the purchasers or any person or persons claiming by, through or under the purchasers who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture remain in possession of the property more than ten (10) days after such forfeiture, the purchasers, or such person or persons, shall be deemed tenants at will of the sellers and the sellers shall be entitled to institute an action for summary possession of the property, and may recover from the purchasers or such person or persons in any such proceedings the fair rental value of the property for the use thereof from and after the date of forfeiture, plus costs, including the sellers' reasonable attorneys' fees.
- d. Specific Performance. Sellers may institute suit to specifically enforce any of the purchasers' covenants hereunder.
- e. Property Rental. In the event this contract is forfeited as herein provided, or in any other manner permitted by law, or by mutual agreement of the

purchasers and the sellers, and the purchasers shall thereafter remain in possession of the property beyond any period otherwise permitted by law, the purchasers agree that they will occupy the property as a tenant at will, and the purchasers shall be obligated to pay, and hereby promise to pay, during the period of such tenancy at will, a fair market rental in the amount then agreed to by the parties or, in the absence of such agreement or until such agreement is reached, an amount equal to two (2) times the installment amount as and when provided for in the specific terms hereof, and the sellers shall have, in addition to all other remedies for the collection of rentals and the recovery of possession that are available to landlords under the laws of the State of Washington, the right to institute an action for summary possession of the property as provided by law.

15. a. In the event sellers should default in any of their obligations under this contract and such default continues for fifteen (15) days after the purchasers give the sellers written notice specifying the nature thereof and the acts required to cure the same, the purchasers shall have the right to specifically enforce this contract, institute suit for damages caused by such default, or pursue any other remedy which may be available to purchasers at law or in equity.

b. The waiver 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. The remedies stated herein are cumulative and not mutually exclusive. 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.

Notice

16. Any notice, declaration, demand, consent 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:

PO Box 846
Carson, Wa. 98610

To sellers:

PO Box 132, Barnes Road
Carson, Wa. 98610

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) addresses. 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.

Costs and Attorneys' Fees

17. If either party shall be in default under this contract, the nondefaulting party shall have the right, at the defaulting party's expense, to retain an attorney to make any demand, enforce any remedy, or otherwise protect or enforce its rights under this contract. The defaulting party hereby promises to pay all costs and expenses so incurred by the nondefaulting party, including, without limitation, court costs, notice expenses, title search expenses, and reasonable attorneys' fees (with or without arbitration or litigation). In the event either party hereto institutes any action to enforce the provisions of this contract, the prevailing party in such action shall be entitled to reimbursement by the losing party for its court costs and reasonable attorneys' fees, including such costs and fees as are incurred on appeal. All reimbursements required by this paragraph shall be due and payable on demand, may be offset against any sum owed to the party so liable in order of maturity, and shall bear interest at the default rate from the date of demand to and including the date of collection or the due date of any sum against which the same is offset.

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

Sellers:

Robert Callahan
ROBERT CALLAHAN

Connie Callahan
CONNIE CALLAHAN

James W. Callahan
JAMES CALLAHAN

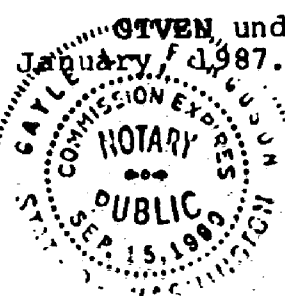
Purchasers:

Maynard F. Holmes
MAYNARD HOLMES

Carlie M. Holmes
CARLIE M. HOLMES

STATE OF WASHINGTON)
) ss.
County of Skamania)

On this day personally appeared before me ROBERT CALLAHAN and CONNIE CALLAHAN, 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.

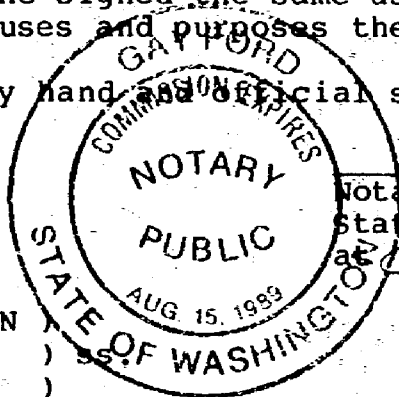


Gayle R. Ferguson
Notary Public in and for the
State of Washington, residing
at Stevenson.

STATE OF WASHINGTON)
) ss.
County of Skamania)

On this day personally appeared before me JAMES CALLAHAN, a single man, to me known to be one of the individuals 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.

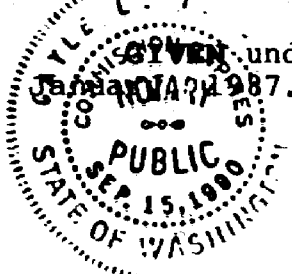
GIVEN under my hand and official seal this 15th day of January, 1987.



James Callahan
Notary Public in and for the State of Washington, residing at Stevenson, WA

STATE OF WASHINGTON)
) ss.
County of Skamania)

On this day personally appeared before me MAYNARD HOLMES and CARLIE M. HOLMES, 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 19th day of January, 1987.

Maynard Holmes & Carlie M. Holmes
Notary Public in and for the State of Washington, residing at Stevenson

ASSIGNMENT BY PURCHASERS - CONSENT OF SELLERS

As sellers in that certain real estate contract dated June 25, 1985, between Spencer Garwood and Genevieve Garwood, husband and wife, as sellers, and Robert Callahan and Connie Callahan, husband and wife, and James Callahan, a single man, as purchasers, and recorded June 25, 1985, in Book 84 at page 676, under Auditor's File No. 99437, and as the present owner of the premises therein referred to, we hereby consent to the sale of Lot 3 of Spencer Garwood Short Plat to Maynard Holmes and Carlie M. Holmes, husband and wife, under the terms and conditions set forth in the within real estate contract, provided:

1. This consent shall not be construed as a release or discharge of the original purchasers from any of the obligations of the purchasers under the contract of sale.
2. All payments to be made pursuant to the within real estate contract shall be made to the undersigned, their heirs, successors or assigns, at First Independent Bank, Stevenson, Washington, Account No. 21-124276.

Dated this 15th day of January, 1987.

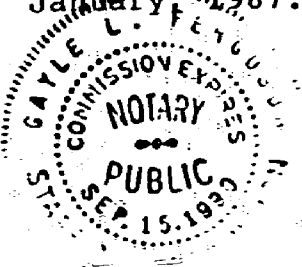
Spencer Garwood
SPENCER GARWOOD

Genevieve Garwood
GENEVIEVE GARWOOD

STATE OF WASHINGTON)
) ss.
County of Skamania)

On this day personally appeared before me **SPENCER GARWOOD** and **GENEVIEVE GARWOOD**, 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 15th day of January, 1987.



Gayle L. Ferguson
Notary Public in and for the
State of Washington, residing
at *Stevenson.*

Unofficial Copy

FILED FOR RECORD
SKAMIA CO. WASH
BY *[Signature]*
JAN 21 4 40 PM '87
CLERK OF COURTS

Registered	<i>[initials]</i>
Indexed Dir	<i>[initials]</i>
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