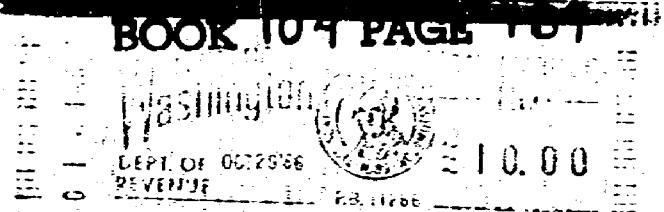


102645



REAL ESTATE CONTRACT
AND BOUNDARY ADJUSTMENT

1. Effective Date: May 1, 1986
2. Seller: LEWIS RIVER PROPERTIES, INC.,
a Washington corporation
3. Purchaser: DONALD E. BERGSENG and PATRICIA A.
BERGSENG
husband and wife
4. Property Sold. The seller agrees to sell to the purchaser,
and the purchaser agrees to purchase from the seller, the
following described real estate, with the appurtenances thereon,
situated in Skamania County, Washington:

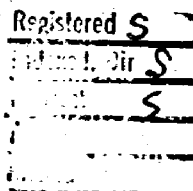
LEGAL DESCRIPTION IS ATTACHED AS EXHIBIT "A"

5. Payment Terms. The terms and conditions of this contract
are: Purchase price of the real estate is FIVE THOUSAND ONE
HUNDRED NINETY and NO/100 DOLLARS (\$5,190.00), of which ONE
HUNDRED and NO/100 DOLLARS (\$100.00) has been paid, the receipt
of which is hereby acknowledged. The balance of FIVE THOUSAND
NINETY and NO/100 DOLLARS (\$5,090.00) shall be paid in annual
installments of FIVE HUNDRED NINE and NO/100 DOLLARS (\$509.00),
beginning on the 1st day of May, 1987, and continuing on the same
day of each year thereafter until the balance of the purchase
price, both principal and interest, is fully paid. The unpaid
balance of the purchase price shall at all times bear interest at
ten percent (10%) per annum, commencing on May 1, 1986. From
each payment shall first be deducted the interest to date of pay-
ment and the balance shall be applied to the principal. Permis-
sion is granted to purchaser to make larger payments at any time,
or to pay this contract in full, and the interest shall immedi-
ately cease on all payments so made.

This contract shall be paid in full May 1, 1991.

6. Fulfillment Deed. On full payment of the purchase price and
interest in the manner hereinabove specified, the seller agrees
to execute and deliver to purchaser a Warranty Deed to the
property, free and clear of any encumbrances, except those
encumbrances and obligations being assumed by the purchaser, if
any, according to Paragraph 4 above, and any that may accrue
hereafter due to any person other than the seller.

REAL ESTATE CONTRACT
AND BOUNDARY ADJUSTMENT - 1



LAW OFFICES OF
Landerholm, Memovich,
Lansverk & Whitesides, Inc., P.S.
Broadway at Evergreen, Suite 400
P.O. Box 1086
Vancouver, Washington 98666
(206) 696-3312

Transaction in compliance with County sub-division ordinances.
To become part of record
2-6-26-3-400 per Bldg Co.
J.D.

7. Possession. The purchaser is entitled to physical possession on May 1, 1986.

8. Prorate Items. The following items will be prorated between seller and purchaser: ITEMS: None.

9. Future Taxes. The purchaser agrees to pay before delinquency all taxes and assessments which may, as between seller and purchaser, hereafter become a lien on the real estate.

10. Acceptance of Premises. The purchaser agrees that a full inspection of the premises has been made. The seller shall not be liable under any agreement with respect to (a) the condition of the premises, or (b) any service, installation, maintenance, or construction charges for sewer, water or electricity, or (c) for alterations, improvements or repairs, unless the agreement is in writing and attached to this contract.

11. General Advancements by Seller. In case the purchaser fails to make any payment to others as herein provided or to maintain insurance, if required herein, the seller may make such payment or effect such insurance, and any amounts so paid by the seller, together with interest at the rate of twelve percent (12%) per annum thereon from date of payment until repaid, shall be repayable by purchaser on seller's demand, all without prejudice to any other rights the seller might have by reason of such default.

12. Default Provisions.

(a) Right to Collect Payments. Seller may elect to bring an action on any overdue installment or on any payment or payments made by seller and repayable by purchaser. The promise to pay intermediate installments is independent of the promise to make a deed.

(b) Forfeiture Provisions. Time is of the essence of this contract. No waiver by the seller of any default on the part of the purchaser shall be construed as a waiver of any subsequent default. In the event purchaser shall fail to comply with any condition hereof or to make any payment required, the seller may elect to declare all of the purchaser's rights hereunder terminated. Upon his doing so, all payments made by the purchaser and all improvements placed upon the real estate shall be forfeited to the seller as liquidated damages, and the seller

shall have the right to re-enter and take possession of the property. A 30-day notice of intent to declare a forfeiture shall be made by seller in writing. Within the 30-day period the purchaser shall have the right to remove the grounds for forfeiture specified in the notice. Purchaser shall not be reinstated, however, until the purchaser has paid to the seller all expenses that seller has incurred in the declaration and service of such notice, including attorney's fees incurred by seller.

(c) Attorney's Fees.

(1) If this contract or any obligation contained in it is referred to an attorney for collection or realization, purchaser agrees to pay seller's attorney's fees, including fees incurred with or without legal suit, expenses of searching records to determine the condition of title, and all other related legal expenses.

(2) In the event litigation arises out of this contract, the losing party agrees to pay the prevailing party's attorney's fee, together with all costs and expenses incurred in connection with such action, including the cost of searching records to determine the condition of title.

(d) Notice Provisions. Service of all demands or notices pursuant to this contract may be made by certified mail and regular mail, postage prepaid, directed to the purchaser or seller at his address stated below. The time specified in any notice shall commence to run from the date of the postmark.

(e) Acceleration. In the event purchaser shall fail to comply with any condition hereof or to make any payment required, the seller may elect to declare all of the sums obligated to be paid by the purchaser herein to be immediately due and payable. Prior to acceleration, a thirty (30) day notice of intent to accelerate shall be made by seller in writing. Within the thirty (30) day period, the purchaser shall have the right to remove the grounds for acceleration specified in the notice. Acceleration shall be declared, however, unless the purchaser has paid to the seller all expenses that seller has incurred in the declaration of intention to accelerate and service of such notice, including attorney's fees incurred by the seller. Upon acceleration being declared, all sums due under this contract, including all costs and attorney's fees, shall immediately be payable in full, and purchaser shall have no right to bring the delinquencies current and reinstate the contract.

13. Nuisance. The purchaser will not create a nuisance or commit waste on the premises.

14. Late Charges. In the event the purchaser shall be delinquent more than fifteen (15) days in making any payment, a late charge of four percent (4%) of the delinquent payment or payments shall be made. The late charge will be computed monthly on all sums which are delinquent.

15. Seller's Address. P.O. Box 1086
Vancouver, WA 98666

16. Purchaser's Address. 2214 NE 19th
Portland, OR 97212

IN WITNESS WHEREOF, the parties hereto have signed this instrument this 24 day of April, 1986.

SELLER:

PURCHASER:

LEWIS RIVER PROPERTIES, INC.,
a Washington corporation

By: Ray A. Olson, Pres.

Donald E. Bergseng
DONALD E. BERGSENG

By: Kathleen E. Olson, Sec.

Patricia A. Bergseng
PATRICIA A. BERGSENG

FILED FOR RECORD
SKAMANIA CO. WASH
BY IRWIN C. LANDERHOLM

FEB 9 12 10 PM '87
Auditor
GARY H. OLSON

11204

REAL ESTATE EXCISE TAX

FEB 6 1987

PAID \$5.53 + 5.00 penalty

Wynne A. Bergseng
SKAMANIA COUNTY TREASURER

REAL ESTATE CONTRACT
AND BOUNDARY ADJUSTMENT - 4

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P.O. Box 1086
Vancouver, Washington 98666
(206) 696-3312

STATE OF WASHINGTON)
County of Clark) ss.

I certify that I know or have satisfactory evidence that Roy A. Elmer and Kathleen L. Elmer signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the President and Secretary, respectively, of LEWIS RIVER PROPERTIES, INC., to be the free and voluntary act of such parties for the uses and purposes mentioned in the instrument.

DATED: April 24, 1986

Betty H. Herd
Notary Public in and for the
State of Washington, residing
at Vancouver
My appointment expires: 4-1-87



REAL ESTATE CONTRACT
AND BOUNDARY ADJUSTMENT - 5

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EXHIBIT "A"

The following described real estate situated in Skamania County, Washington:

BEGINNING at a point which is the Southwesterly corner of Parcel 2 sold to Purchaser herein on Real Estate Contract recorded in Book 78, page 748, records of Skamania County and later conveyed to Purchaser:

THENCE South $89^{\circ}15'10''$ East 243.40 feet; thence South $00^{\circ}44'50''$ West 309.66 feet; thence North $89^{\circ}02'20''$ West 243.40 feet more or less to a point due South of point of beginning, thence North to point of beginning.

All in the Southeast Quarter of Section 27, Township 2 North, Range 6 East of the Willamette Meridian.

TOGETHER WITH 60 foot easements for ingress, egress and utilities over and across that roadway designated easement "A" and easement "B" as set forth on survey recorded September 12, 1980, in Book 1 at page 257, under Auditor's File No. 91239, records of Skamania County, Washington, together with the extension thereof on the same delineation as the easement bears on the survey across Parcel 2.

SUBJECT TO declaration of road maintenance agreement recorded in Book 6 of Agreements & Leases at page 383, Auditor's File No. 91240, recorded September 15, 1980, records of Skamania County, Washington, to which reference is hereby made for full particulars. (Affects all lots in Beacon Highlands).

SUBJECT TO declaration of covenants and restrictions for Beacon Highlands recorded in Book 78 of Deeds, page 668, Auditor's File No. 91241, recorded September 12, 1980, records of Skamania County, Washington, to which reference is hereby made for full particulars. (Affects all lots in Beacon Highlands).

EXHIBIT "A"