

CONTRACT TO SELL REAL ESTATE

THIS CONTRACT, Made this 4th day of August, 1987, between V.R. Martin and Fern L. Martin, husband and wife, hereinafter called the "Seller", and Thomas E. Garred and Lauretta M. Garred, husband and wife, hereinafter called the "Buyer",

WITNESSETH, That in consideration of the stipulations herein contained and the payments to be made as hereinafter specified, the Seller hereby agrees to sell to the Buyer and the Buyer agrees to purchase from the Seller all of Seller's interest in the following described real estate and personal property, situate in the County of Skamania, State of Washington, owned by Pacific Power & Light Company with permission to Seller to occupy for private residential purposes only, to-wit:

Northwestern Lake Cabin, Site No. 42, including a pontoon boat and 6 hp. Johnson Motor

for the sum of Thirty Two Thousand and No/100 Dollars (\$32,000.00), (hereinafter called the purchase price), which sum Buyer promises and agrees to pay to Seller as the purchase price for said property, on account of which Nine Thousand Six Hundred and No/100 Dollars (\$9,600.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the Seller); the Buyer agrees to pay the remainder of said purchase price (to-wit: \$22,400.00) to the order of the Seller in payments of not less than \$300.00 each, payable on the 5th day of each month, hereafter beginning with September 5, 1987, and continuing until said purchase price is fully paid. All of said purchase price may be paid at any time. All deferred balances of said purchase price shall bear interest at the rate of ten percent per annum from date of contract until paid, interest to be paid monthly and being included in the minimum monthly payments above required. Taxes on said premises for the current tax year shall be prorated between the parties hereto as of the date of this contract. This contract is subject to the approval of Pacific Power & Light Company. Seller has disclosed to Buyer the permit he has from Pacific Power & Light Company, so that Buyer is familiar with the terms and conditions of Seller's permit. Both Seller and Buyer shall cooperate in order that said permit may be transferred from Seller to Buyer promptly. In the event Pacific Power & Light Company does not grant the Buyer a new lease Buyer shall have all of his payments returned, and the transaction shall be deemed cancelled.

POSSESSION, WASTE, FIRE INSURANCE AND INDEMNIFICATION. The Buyer shall be entitled to possession of said lands on or about August 1, 1987, and may retain such possession so long as he is not in default under the terms of this contract. The Buyer agrees that at all times he will keep the buildings on said premises, now or hereafter erected, in good condition and repair and will not suffer or permit any waste or strip thereof; that he will keep said premises free from mechanic's and all other liens and save the Seller harmless therefrom, and reimburse Seller for all costs and attorney's fees incurred by him in defending against any such liens; that he will pay all taxes hereafter levied against the said property, as well as all water rents, public charges and municipal liens which hereafter lawfully may be imposed upon said premises, all promptly before the same or any part thereof become past due. That, at Buyer's expense, he will insure

Registered	\$
Imp. & L. Dir.	\$
Insured	\$
Filed	
Noted	

and keep insured all buildings now or hereafter erected on said premises against loss or damage by fire (with extended coverage) in an amount not less than the full insurable value in a company or companies satisfactory to the Seller, with loss payable first to the Seller and then to the Buyer as their respective interest may appear, and all policies of insurance to be delivered to the Seller as soon as insured. Now, if the Buyer shall fail to pay any such liens, costs, water rents, taxes, or charges or to procure and pay for such insurance, the Seller may do so, and any payment so made shall be added to and become a part of the debt secured by this contract and shall bear interest at the rate aforesaid, without waiver, however, of any right arising to the Seller for Buyer's breach of contract.

DEED. Seller agrees that when said purchase price is fully paid and upon request and upon surrender of this agreement, he will deliver a deed or bill of sale conveying his interest in the property sold unto the Buyer, his heirs and assigns, free and clear of encumbrances as of the date hereof and free and clear of all encumbrances since said date placed, permitted or arising by, through or under Seller, excepting, however, the said easements and restrictions and the taxes, municipal liens, water rents and public charges so assumed by the Buyer and further excepting all liens and encumbrances created by the Buyer or his assigns.

DEFAULT PROVISIONS.

1. Time is of the essence of this contract. A default shall occur if:
 - (a) Buyer fails to make any payment within 30 days after it is due.
 - (b) Buyer fails to perform any other obligation imposed by this contract and does not correct or commence correction of such failure within thirty (30) days after receipt of written notice from Seller specifying the manner in which Buyer is in default; or
 - (c) Buyer becomes insolvent, a receiver is appointed to take possession of all or a substantial part of Buyer's properties, Buyer makes an assignment for the benefit of creditors or files a voluntary petition in bankruptcy, or Buyer is the subject of an involuntary petition in bankruptcy which is not dismissed within ninety (90) days. If Buyer consists of more than one person or entity, the occurrence of any of these events as to any one such person or entity shall constitute a default hereunder.
2. In the event of a default, Seller may take any one or more of the following steps:
 - (a) Declare the entire balance of the purchase price and interest immediately due and payable;
 - (b) Foreclose this contract by suit in equity;

(c) Specifically enforce the terms of this contract by suit in equity;

(d) Declare this contract null and void as of the date of the breach and retain as liquidated damages the amount of the payments previously made hereunder. In such event, all of the right, title and interest of Buyer to the property shall revert to and be vested in Seller without any act of re-entry or without any other act by Seller to be performed, and Buyer agrees to peaceably surrender the property to Seller. Should Buyer fail to so surrender the property, Seller may at his option treat Buyer as tenant holding over unlawfully after the expiration of a lease and Buyer may be ousted and removed as such.

3. The remedies provided above shall be nonexclusive and in addition to any other remedies provided by law.

WAIVER. The Buyer further agrees that failure by the Seller at any time to require performance by the Buyer of any provision thereof shall in no way affect his right hereunder to enforce the same, nor shall any waiver by said Seller of any breach of any provision hereof be held to be a waiver of any succeeding breach of any such provision, or as a waiver of the provision itself.

ATTORNEY FEES. In case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, the losing party agrees to pay such sums as the Court may adjudge reasonable as attorney's fees to be allowed the prevailing party in said suit or action, or on appeal thereof, in addition to all other sums provided by law.

TAX STATEMENTS. Until a change is requested, all tax statements shall be sent to the following address:

Thomas E. Garred
701 East 17th Place
The Dalles, OR 97058

ASSIGNMENT. It is agreed that Buyer shall not assign this contract, nor sell the premises, nor lease the same without first having obtained the written consent of Seller, which consent will not be unreasonably withheld.

ZONING. Buyer acknowledges that the real property herein described is subject to land division regulations, zoning ordinances, comprehensive plans and planning laws, ordinances, statutes, rules and regulations. Buyer expressly agrees that he is purchasing the real property subject thereto and subject to all provisions, restrictions, limitations, duties, regulations and controls thereof. Buyer hereby expressly assumes any and all required compliance with said statutes, laws, ordinances, rules and regulations and the provisions, restrictions, limitations, duties, regulations and controls thereof at Buyer's sole liability, obligation and expense and acknowledge that Seller has no duty or obligation in regard the within described real property in any respect in regard said laws, ordinances, rules and regulations or in the provisions, restrictions, limita-

tions, duties, regulations and controls thereof. This instrument will not allow use of the property described in this instrument in violation of applicable land use laws and regulations. Before signing or accepting this instrument, the person acquiring fee title to the property should check with the appropriate city or county planning department to verify approved uses.

IMPROVEMENTS. Buyer agrees that he will notify Seller in writing 30 days prior to making any improvements or alterations to the property or to any improvement situated thereon or 30 days prior to purchasing materials for such purposes, which improvements, alterations or materials are not paid for by Buyer in cash and wherein Buyer shall become obligated for such work and/or materials in an amount remaining unpaid of \$5,000.00 or more in the aggregate for all such improvements, and this provision is of the essence of this contract. This provision is for the purpose of giving Seller an opportunity to post or file notice of non-responsibility if Seller shall deem it desirable in regard to construction or mechanic's liens.

REPRESENTATIONS. Buyer certifies that this contract of purchase is accepted and executed on the basis of his own examination and personal knowledge of the premises and opinion of the value thereof; that no attempt has been made to influence his judgment; that no representations as to the condition or repair of said premises have been made by Seller or by any agent of Seller; that no agreement or promise to alter, repair, or improve said premises has been made by Seller or by any agent of Seller; and that Buyer takes said property and the improvements thereon in the condition existing at the time of this agreement.

ATTORNEYS. The parties to this agreement recognize that these documents have been prepared by the law firm of Van Valkenburgh, Coats & Hoffman, P. C., representing Seller herein, and that Buyer has been advised and is aware of this fact and has received full advice to obtain other counsel as he deems fit.

REMEDIES. The remedies provided above shall be non-exclusive and in addition to any other remedies provided by law.

NOTICE. Any notice under this contract shall be in writing and shall be effective when actually delivered or when deposited in the mail, registered or certified, addressed to the parties at the addresses stated below, or such other addresses as either party may designate by written notice to the other:

SELLER: V. R. Martin
122 East 12th Street
The Dalles, OR 97058

BUYER: Thomas E. Garred
701 East 17th Place
The Dalles, OR 97058

PRIOR AGREEMENTS. This document is the entire, final and complete agreement of the parties pertaining to the sale and purchase of the property, and supersedes and replaces all written and oral agreements hereto-

fore made or existing by and between the parties or their representatives insofar as the property is concerned.

CONSTRUCTION. In construing this contract, it is understood that the Seller or the Buyer may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals. All of the terms and conditions hereof shall inure to and be binding on the heirs, administrators and assigns of the parties hereto.

WATER: Domestic water is furnished to said premises from a well owned by the Lakeshore Water Association. Seller hereby assigns to Buyer all interest in and to said Association. In the event of default by Buyer in the terms of this Contract, Buyer agrees to reassign to Seller, his heirs and assigns, all interest transferred to him by Seller in said Association.

IN WITNESS WHEREOF, said parties have hereunto set their hands and seals in duplicate on this, the day and year first above written.

V. R. Martin (SEAL)
Fern L. Martin (SEAL)
SELLER
Thomas E. Garred (SEAL)
Lauretta M. Garred (SEAL)
BUYER

STATE OF OREGON)
County of Wasco) SS. August 4, 1987.

PERSONALLY APPEARED V. R. Martin and Fern L. Martin, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

BEFORE ME: Dorcas Lee Thompson
Notary Public for Oregon
My Commission Expires: 6-27-90

STATE OF OREGON)
County of Wasco) SS. August 4, 1987.

PERSONALLY APPEARED Thomas E. Garred and Lauretta M. Garred, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

BEFORE ME: Dorcas Lee Thompson
Notary Public for Oregon
My Commission Expires: 6-27-90

Oct 6 12 33 PM '87
D. J. New, Dep.
CLERK
BY THOMAS E. GARRED
SARAHIA CO. 234