

107306

BOOK 114 PAGE 719

LEASE AND OPTION AGREEMENT

THIS LEASE AND OPTION AGREEMENT is made and entered into this 5th day of May, 1989, by and between JOAN L. WATERMAN, nka JOAN L. PETERSON, a single person, herein referred to as "Lessor", and EDNA R. FOOTE, a single person, herein referred to as "Lessee". Lessor hereby leases to Lessee the premises known as MP 2.52 Left Belle Center Road, Washougal, Washington, more particularly described as follows:

(SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE INCORPORATED HEREIN).

This shall include all improvements thereon, and the following terms and conditions shall apply:

1. Term. The term of the Lease shall be commencing May 5, 1989 and ending May 4, 1990.
2. Rent. Lessee agrees to pay, without demand, to Lessor as rent for the demised premises the sum of \$850.00 per month, in advance, on the 5th day of each calendar month beginning in May, 1989, at such place as Lessor may designate. Lessee shall pay a late charge equal to \$50.00 of any monthly payment that is received after the 15th day of each month.
3. Option to Purchase. While this Lease is in full force and effect, and if Lessee is not in default in performance hereunder, Lessor hereby gives and grants unto Lessee the sole, exclusive and irrevocable right and option to purchase the above described premises, subject to and upon the terms and conditions hereinafter set forth:

LEASE AND OPTION AGREEMENT -1-

Registered S
 Ind. Ad. S
 Indirect S
 Filed S
 Mailed S

12851
 REAL ESTATE EXCISE TAX
 JUN 13 1989
 PAID Exempt
 J.W. Deputy
 CLATSOP COUNTY TREASURER

Glenda J. Kimmel, Skamania County Assessor
 By J.W. Parcel # 01-05-07 00 0 300 0 0
 6-30-89

(a) The purchase price shall be \$60,000.00.

(b) There shall be a down payment of \$5,000.00. Said down payment should have been received by Lessor from Lessee prior to this Purchase Option, by way of approximately \$425.00 of the Lease payment being applied towards said \$5,000.00 until day of this option, and Lessee shall be given credit for said \$5,000.00 against the above purchase price. Should the Lessee effectively exercise this option prior to the \$5,000.00 being paid by crediting \$425.00 of the Lease payment toward said \$5,000.00, Lessee will pay Lessor the difference in a lump sum amount upon exercising this option.

(c) Lessee shall pay the remaining balance by cash, through the proceeds of a conventional mortgage, or assume the existing mortgage and pay Lessor the balance of his equity in the amount of approximately \$16,000.00 by entering into a Real Estate Contract with Lessor on the terms set out in Paragraph 3.(c)(1). Lessor shall convey property to Lessee by statutory warranty deed, subject only to covenants, conditions and restrictions of record should Lessee pay the remaining balance of the existing mortgage and pay Lessor the balance of his equity.

(1) Terms of Contract:

The purchase price is Lessor's equity of approximately \$16,000.00. The price shall bear interest as per the terms of Lessor's mortgage with Riverview Savings Association, which shall begin accruing from the 1st day of May, 1989.

The Contract is repayable in N/A monthly installments and an initial monthly principal and interest payment of \$450.00 shall be due on the 5th day of May, 1990. Further payments are due on the 5th day of each month thereafter until the entire indebtedness is paid in full.

Lessee shall have the right to prepay the contract, or any part thereof, without penalty.

There shall be a late payment fee of \$50.00 of any monthly payment that is received after the 15th day of each month.

Any and all other terms in the Contract regarding taxes and assessments, conveyance of deeds, place of payment, risk of loss, inspection, standard of care, title insurance, possession, default and remedies, notices, assignment, and insurance shall be determined by the parties after the effective exercise of said option.

(d) Lessee shall continue to pay rental payments to date of purchase.

(e) Time is of the essence hereof, and this option shall be null and void and of no force and effect unless Lessee shall deliver to Lessor written notice stating that Lessee elects to purchase the demised premises within thirty (30) days of termination of this lease, providing Lessee shall have duly and punctually fulfilled all of the provisions and conditions of this Lease, subject to the conditions outlined herein.

(f) Lessor shall be responsible for and shall pay all

closing costs, and Lessee agrees to pay costs of any necessary roof repair to leased premises.

(g) If Lessee does not exercise this option during the option period, or if Lessee's rent payment shall be in arrears for fifteen (15) days, and Lessor shall have given Lessee fifteen (15) days written notice of intent to place the demised premises for sale or lease if said default is not cured, then Lessor may immediately place the demised premises for sale or lease, and Lessor or their agents shall have the privilege of displaying the usual "For Sale" or "For Rent" signs on the demised premises and of showing the property to prospective purchasers or renters. Any such sale or lease by Lessor shall terminate this Lease and Option Agreement thirty (30) days after written notice of the sale or lease, unless the term of this lease expires sooner.

(h) If Lessee exercises this option, but does not close the sale for any reason, the Lease shall terminate ten (10) days after written notice from Lessor.

(i) If the option is not exercisable because of the termination of the Lease, the expiration of the option, or because the Lessee has not duly performed under the Lease, the Lessee hereby agrees to execute any and all necessary documentation to remove this option.

4. Quiet Enjoyment. Lessor covenants that, on paying the rent and option payments and performing the covenants herein contained, Lessee shall peacefully and quietly have, hold and enjoy the demised premises for the agreed term.

5. Use of Premises. The demised premises shall be used and occupied by Lessee exclusively as a single family as their primary residence. Lessee shall comply with all laws, ordinances, rules, orders and regulations of any public authority respecting use, cleanliness, occupancy and preservation of the demised premises during the term of this Lease. Lessee shall make no unlawful or offensive use of said premises, and Lessee expressly agrees not to suffer or permit any waste or strip of the demised premises.

6. Condition of Premises. Lessee stipulates that he has examined the demised premises, including the grounds and all buildings and improvements, and is familiar with the condition thereof; expressly acknowledges that Lessor has made no warranties or representations of any kind, nature or description in connection therewith; and acknowledges and accepts the property based upon Lessee's examination of the property AS IS.

6.1 Number of Occupants. Lessee agrees the demised premises shall be occupied by no more than six (6) persons without the written consent of Lessor.

7. Assignment and Subletting. Lessee shall not assign this Lease or any rights granted herein, or sublet or grant any concession or license to use the premises or any part thereof without the prior consent of Lessor, which shall not be unreasonably withheld. Any assignment, subletting, concession or license of any nature, including an assignment or subletting by operation of law, without the prior written consent of Lessor,

shall be void and shall, at Lessor's option, terminate this Lease.

8. Alterations and Improvements. Lessee shall not improve or alter the demised premises in any manner without the prior written consent of Lessor but shall, before making any improvements or alterations, submit plans and designs therefor to Lessor for their approval. In the event that the plans and designs are disapproved, such improvements or alterations shall be made only with such changes as may be required by Lessor. All improvements or alterations erected or made on the premises shall, on the expiration or sooner termination of this Lease, belong to Lessor, without compensation to Lessee, unless the option to purchase is exercised by Lessee.

9. Damage to Premises. In the event of the destruction of the building on the demised premises from any cause, or if the whole of the demised premises shall be taken by any lawful authority under the power of eminent domain, either party may terminate this Lease after ten (10) days prior written notice to the other, effective as of the date of said destruction; and Lessee shall be refunded all option moneys paid; provided, however, that if the damage to the building is more than fifty percent (50%) of its replacement value, Lessor may or may not elect to restore said building, and written notice of Lessor's said election shall be refunded all option moneys paid. If such notice is not so given, Lessor conclusively shall be deemed to have elected not to restore the building, and Lessee may

forthwith terminate this Lease as of the date of said damage, and Lessee shall be refunded all option moneys paid. If the damage to the building does not amount to more than fifty percent (50%) of its replacement value, or if Lessor elects to restore the building as aforesaid, then Lessor shall repair the building with all convenient speed, and during the repairs there shall be such an abatement of rent as the nature of the damage and its interference with occupancy of the demised premises shall warrant.

10. Utilities. Lessee shall be responsible for arranging and paying for all utility service required on the demised premises, including but not limited to all heat, light, water, power and other services or utilities (including garbage disposal) used on the demised premises.

11. Maintenance and Repair. Lessee, at his own expense, shall completely maintain the demised premises and all systems thereof and appurtenances thereto in good repair, and in at least as good condition as that in which they were delivered, allowing for ordinary wear and tear. Lessee shall properly cultivate, care for and adequately water the lawn, shrubbery and grounds, and shall not maintain any unsightly condition on the demised premises. Lessor has no responsibility for maintenance or repairs.

If the demised premises are not kept in good order and in a clean, sightly and healthful condition by Lessee, as provided herein, Lessor, or their agents, servants and employees, may,

upon five (5) days prior notice, enter the premises without such entrance causing or constituting the termination of the Lease, nor in interference with Lessee's possession of the demised premises, and Lessor may then place the premises in the same condition of repair, sightliness, healthfulness and cleanliness as existed on the date of execution of this Lease, and Lessee shall pay Lessor, in addition to the rent hereby reserved, Lessor's expense in thus repairing the demised premises.

12. Right of Inspection. Lessor and their agents shall have the right, at all times for reasonable cause and upon twenty-four (24) hours written notice during the term of this Lease, to enter upon the demised premises for the purpose of inspecting the premises and all building improvements thereon, or for any other lawful purpose.

13. Indemnification. Lessee shall, at all times prior to the termination of this Lease and prior to the delivery to Lessor of possession of the demised premises and all improvements thereof, indemnify Lessor against all liability, loss, cost, damage or expense sustained by Lessor, including attorney's fees and other expenses of litigation, both at trial and on appeal, arising prior to termination of the Lease term and prior to delivery to Lessor of possession of the demised premises:

(a) On account of or through the use of the demised premises or improvements thereon, or any part thereof, by Lessee or by any other person with their consent, for any purpose inconsistent with the provisions of this Lease;

(b) Arising out of or directly or indirectly due to any accident or other occurrence causing injury to any person or persons or property resulting from the use of the demised premises and improvements thereof, or any part thereof, except those caused by or contributed to by Lessor; and

(c) For which the demised premises and improvements thereon, or any part thereof, or the Lessor as owner thereof or interested parties therein may hereafter, without fault by Lessor, become liable, and especially but not exclusively any such liability, loss, cost, damage or expense that may arise under a statute, ordinance or regulation.

Lessee shall keep the demised premises free from mechanic's liens and all other liens, and shall save Lessor harmless therefrom and reimburse Lessor for all costs and attorneys' fees incurred by Lessor in defending against any such liens.

14. Taxes, Assessments and Insurance. Lessor agrees to pay when due all real property taxes levied against the demised premises by the appropriate governmental entity. Lessor shall pay when due all taxes that may be assessed and levied on future improvements by the State, City and County or other municipal corporation during the entire term of this Lease, and all special or local assessments that may be levied against the demised premises.

Lessor shall keep the building of which the demised premises are a part and all improvements now existing on the property

insured against fire and other casualties covered by a standard policy of fire insurance with extended coverage endorsements, naming Lessor and Lessee as insureds as their interests may appear. Lessee shall obtain and maintain any other insurance that Lessee desires on the demised premises, or on the personal property thereon, at the expense of Lessee, and any additional insurance desired by Lessee may be written by any carrier selected by Lessee.

15. Holdover By Lessee. Should Lessee remain in possession of the demised premises after the expiration of this Lease, such holding over shall be deemed a tenancy from month to month only, terminable in the manner provided by law by either party hereto.

16. Surrender of Premises. Upon the expiration of the Lease term, or any termination thereof, Lessee shall quit and deliver up the demised premises and all featured additions to the same, broom clean, to Lessor, peacefully, quietly and in as good order and condition, reasonable use and wear thereof, damage by fire and the elements excepted, as the same are in at the commencement of this Lease.

17. Default. Time is of the essence of this Lease, and if said rent payment shall be in arrears for fifteen (15) days, or if Lessee shall neglect or fail to do or perform any of the covenants herein contained, then Lessor, at their option and after fifteen (15) days written notice may, at any time while said default continues, terminate this Lease and take possession

of the demised premises.

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

18. Notice. Any notice, demand or service of process under this Lease shall be in writing and shall be effective when actually delivered, or forty-eight (48) hours after deposited in the United States mail, registered or certified, addressed to Lessor at 344 NW 18th Ave., Camas, and/or Lessee at M.P. 2.52 L. Belle Center RD. Washougal, or such other addresses as either party may designate by written notice to the other.

19. Waiver. Failure of Lessor at any time to require performance of any provision of this Lease shall not limit the right of Lessor to enforce the provision, nor shall any waiver by Lessor or any breach of any provision be a waiver of any succeeding breach of that provision or a waiver of that provision itself or any other provision.

20. Costs and Attorney Fees. In the event suit or action is instituted to enforce any of the terms of this Lease, the prevailing party shall be entitled to recover from the other party such sums as the Court may adjudge reasonable as attorneys' fees at trial or on appeal of such suit or action, in addition to all other sums provided by law.

21. Successor Interest. This Lease shall be binding upon and insure to the benefit of the parties, their successors and assigns, but no interest of Lessee shall be assigned,

subcontracted or otherwise transferred, voluntarily or involuntarily, without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Consent by Lessor to one transfer shall not constitute consent to other transfers or waiver of this section.

Any attempted assignment in violation of this provision shall be void and of no effect with respect to Lessor.

Notwithstanding the above, Lessee shall have the right to assign her rights under Paragraph 3, "Option to Purchase", to a third party at closing of a sale of the above-described premises, in which Lessee's assignee is purchaser and Lessor is seller and is being paid the purchase price in the amount and under the terms set forth in said paragraph. Lessor shall have the right to list the house for sale, pursuant to Lessor's right to so assign this option and have its assignee effectuate a purchase under the option granted herein.

22. Prior Agreements. This document is the entire, final and complete agreement of the parties pertaining to the demised premises and supersedes and replaces all written and oral agreements heretofore made or existing by and between the parties or their representatives insofar as the demised premises are concerned.

23. Modification. This Lease may not be modified, except in writing attached to this Lease, dated and signed by all the parties hereto.

24. Lease Preparation. The parties hereto acknowledge

that the attorney representing Lessor in this transaction drew this Lease. The other parties to this transaction are encouraged to seek independent legal counsel prior to signing this Lease.

25. Number, Gender and Captions. As used herein, the singular shall include the plural and the plural shall include the singular. The masculine, feminine and neuter shall include the masculine, feminine and neuter as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way of the provisions of this Lease.

26. Liquidated Damages: If Lessee shall fail for any reason to exercise the right and privilege to purchase the demised premises in the manner herein provided, Lessor shall retain \$5,000.00 or whatever amount received by Lessor from Lessee by way of approximately \$425.00 of the Lease payment being applied towards said \$5,000.00 pursuant to Paragraph 3.b herein as liquidated damages and Lessee shall have no right to receive back any part thereof.

27. Conveyance of Title: Lessor shall furnish to Lessee at the time of the delivery of the Deed to the demised premises, a Certificate of Title showing that Lessee is the owner of the premises, free and clear of all encumbrances, except as specified above. Conveyance of title to the demised premises shall be by good and sufficient Statutory Warranty Deed, to be delivered by Lessor to Lessee within the period to be specified in the written notice of election to purchase, which period shall not be less

than thirty (30) days nor more than sixty (60) days from and after the day of receipt of the notice by Lessor, except that if a longer period than sixty (60) days is required for search, examination, or clearing of the title to the demised premises, the time for delivery of the Deed shall be extended for a reasonable time.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed in duplicate as of the day and year first above written,

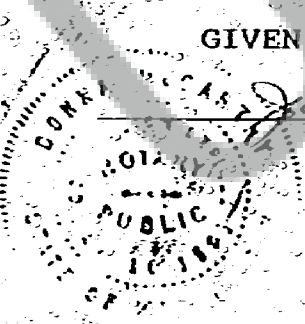
Joan L. Peterson fka Waterman
JOAN L. WATERMAN, Lessor
nka JOAN L. PETERSON

Edna R. Foote
EDNA R. FOOTE, Lessee

STATE OF WASHINGTON)
:ss
COUNTY OF CLARK)

On this day personally appeared before me Joan L. Waterman, nka Joan L. Peterson, to me known to be the individual described herein, and acknowledged to me that she signed the foregoing instrument as her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 28th day of June, 1989.



FILED FOR RECORD
SKAMMICO WASH
BY JOAN L. PETERSON

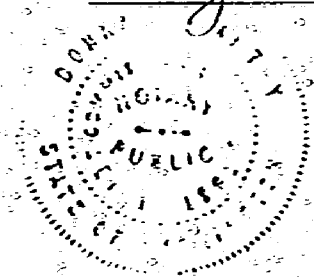
Donna McCarthy
NOTARY PUBLIC in and for the
State of Washington, residing
at Wichburg
MY COMMISSION EXPIRES: 9-10-91

JUL 3 3 00 PM '89
GARY H. OLSON

STATE OF WASHINGTON)
COUNTY OF CLARK) :SS

On this day personally appeared before me Edna R. Foote, to me known to be the individual described herein, and acknowledged to me that she signed the foregoing instrument as her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 9th day of June, 1989.



Donna McCarthy
NOTARY PUBLIC in and for the
State of Washington, residing
at Wichita
MY COMMISSION EXPIRES: 4-10-91

Exhibit "A"

A tract of land located in the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ NE $\frac{1}{4}$) of Section 7, Township 1 North, Range 5 E. W. H., more particularly described as follows:

Beginning at the northwest corner of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the said Section 7; thence east 160 feet; thence south 420 feet; thence west 160 feet; thence north 420 feet to the point of beginning;

TOGETHER WITH an easement and right of way for a one inch water pipeline and the right to draw water jointly with David Joy and Sylvia B. Joy, husband and wife, their heirs and assigns, and to use an existing pumphouse and spring lying approximately 475 feet south and 50 feet east of the northwest corner of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the said Section 7, as described in deed dated July 27, 1973, and recorded at page 536 of Book 65 of Deeds, Records of Skamania County, Washington;

SUBJECT TO easements of record.