

LEASE WITH OPTION TO PURCHASE

LEASE WITH OPTION TO PURCHASE, dated this 1st day of October, 1989, made by and between JOSEPH A. JAKSHA and DOREEN M. JAKSHA, husband and wife, (hereinafter "Lessor") and JAMES F. WRIGHT and CHERYL WRIGHT, husband and wife, (hereinafter "Lessee").

WITNESSETH

1. **Premises.** Lessor hereby leases to Lessee, upon the terms and conditions herein set forth, that certain real property situated in Skamania County, Washington, legally described as follows:

A tract of land located in the Southwest Quarter of the Northeast Quarter (SW $\frac{1}{4}$ NE $\frac{1}{4}$) of Section 17, Township 3 North, Range 8 E.W.M., more particularly described as follows:

Beginning at a point 690 feet east of the southwest corner of the NE $\frac{1}{4}$ of the said Section 17; thence north 660 feet; thence east 193.4 feet to the westerly right of way line of the county road known and designated as the Mathany County Road; thence south following the westerly right of way line of said road 660 feet to the south line of the NE $\frac{1}{4}$ of the said Section 17; thence west 193.4 feet to the point of beginning.

SUBJECT TO easements and rights of way for public roads.

2. **Inspection.** Lessee is leasing the Premises "as is" and makes no representations or warranties except as to title as set forth herein. Without limiting the generality of the foregoing, Lessee acknowledges that they have made their own independent investigation respecting the Premises and will be relying entirely thereon and on the advice of any consultant they may retain. Lessee may not rely upon any representation of any party whether or not such party purports to act on behalf of Lessor, unless the representation is expressly set forth herein or in a subsequent document executed by Lessor. All representations, warranties, understandings, and agreements between Lessee and Lessor are merged herein and shall not survive closing.

3. **Use of Premises.** The demised premises shall be used and occupied by Lessee exclusively as a private, single-family residence, and neither the premises nor any part thereof shall be used by Lessee at any time during the term of this lease for the purpose of carrying on any business, profession or trade, or for any purpose other than as a private, single-family residence, without the prior written consent of Lessor. Lessee shall not allow use of the premises for any illegal purpose and shall comply with all laws, ordinances, rules, orders and regulations or requirements of appropriate governmental authorities affecting sanitation, safety, occupancy, maintenance and preservation of the premises.

4. **Term.** This lease shall commence on October 1, 1989, and shall continue for twenty-four (24) months in accordance with and subject to the terms and conditions set out in this Lease With Option to Purchase.

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REAL ESTATE EXCISE TAX 13207

DEC 6 1989

PAID BY
 J. J. KIMMEL
 SKAMANIA COUNTY TREASURER

Glenda J. Kimmel, Skamania County Assessor
 By: J. J. Kimmel, Parcel # 03-08-12-00-000

5. **Rental.** The parties hereto agree that the charge for the term of the Lease will be \$400.00 per month payable on the first day of each month for twenty-four (24) months from October 1, 1989.

6. **Option to Purchase.** Lessor shall, upon receipt of written notice from Lessee stating that Lessee elects to purchase the premises pursuant to the provisions hereof, convey the premises to Lessee, providing Lessee shall have duly and punctually fulfilled all of their obligations under this lease and subject to the following conditions:

(a) The purchase price of the demised premises shall be Sixty-five Thousand and No/100 Dollars (\$65,000.00), against which shall be credited seventy-five percent (75%) of all monthly payments received by Lessor from Lessee as rental payment hereunder. The balance remaining unpaid at the time Lessee elects to purchase the premises shall be paid by Lessee to Lessor on the date of closing, which date shall be determined between the parties at the time Lessee elects to purchase the premises.

(b) Lessee shall pay to Lessor Ten dollars (\$10.00) cash for the option to purchase the premises. Execution by Lessor of this Lease With Option to Purchase shall constitute acknowledgement of Lessor's receipt of the sum of \$10.00 cash in full payment for the option granted herein.

(c) If Lessee shall fail for any reason to exercise the right and privilege to purchase the premises in the manner herein provided, Lessor shall retain the value of all improvements made to the premises by Lessee as reasonable liquidated damages, and Lessee shall have no right to receive back any part thereof.

(d) Lessor shall furnish to Lessee at the time the option to purchase is exercised, an owners' policy of title insurance in standard form or a commitment therefor issued by a Washington title insurance company insuring the Lessee/Purchaser to the full amount of the purchase price against loss or damage by reason of defect in sellers' title to said real estate as of the date of closing, and containing no exceptions other than the following:

- (1) Printed general exceptions appearing in said policy form;
- (2) Liens or encumbrances which by the terms of this contract the purchasers are to assume or as to which the conveyance hereunder is to be made subject; and
- (3) Easements of record.

(e) Conveyance of title to the premises shall be by good and sufficient warranty deed.

(f) This option to purchase shall expire on September 30th, 1991.

(g) Lessee's right to exercise the option granted herein is conditioned on Lessee having provided written notice to Lessor by August 30, 1991 of Lessee's intent to exercise the option.

7. **Utilities and Other Services by Lessee.** Lessee shall, at Lessee's sole expense, provide all utilities and other services to the premises.

8. **Maintenance by Lessee.** Lessee shall maintain in good condition the structural, exterior and interior components of any building constructed on the premises. Lessee shall also maintain in good condition and repair all windows, plumbing and the

electrical system. Lessor shall not be obligated to repair or replace any fixtures or equipment installed by Lessee, and Lessor shall not be obligated to make any repair or replacements of any kind whatsoever during the term of this Lease.

Lessee shall keep the premises in a neat, clean and sanitary condition, and shall keep the premises and any building constructed thereon and all items therein installed by Lessee in at least as good condition as received, except only for reasonable wear and tear and damage caused other than by any act or omission by Lessee, their employees, agents, invitees or licensees.

9. Lessor's Access to Premises. Lessor may inspect the premises at all reasonable times.

10. Liability and Fire Insurance.

(a) Lessee shall, at Lessee's sole expense, immediately upon occupancy of the premises, maintain public liability and property damage insurance insuring against any and all claims for injury to or death of persons and loss of or damage to property occurring upon, in or about the premises. Such insurance shall have liability limits of not less than \$100,000.00 in respect of injury or death to any one person, and not less than \$300,000.00 in respect of any one occurrence or accident. All such insurance shall name Lessor and Lessee as co-insureds, with severability of interests endorsement.

(b) At all times during the term of this lease and for any further time that Lessee shall hold the premises, Lessor shall obtain and maintain, at Lessee's sole expense, fire insurance on any and all buildings and improvements on the premises, including all alterations and additions thereto, in an amount equal to the current full replacement costs of said buildings and improvements, excluding the cost of excavation and of foundations.

(c) In the event fire or other casualty causes damage to the premises during the Lease term, Lessor shall restore the damaged building for the remainder of the Lease term; provided, however, that Lessor's obligation to restore the premises shall be strictly limited to the amount of insurance proceeds available for such restoration pursuant to paragraph 10.(b) hereof; and provided further, that Lessor's obligation to restore the premises shall be conditioned on Lessee having first exercised their option to purchase hereunder.

11. Taxes. The Lessee assumes and agrees to pay before delinquency all taxes and assessments, including but not limited to any governmental improvement assessments or charges that may as between Lessor and Lessee hereafter become a lien on said real estate. Upon request by Lessor, Lessee will show proof of said payments.

12. Assignment and Subletting. Neither this lease nor any right hereunder may be assigned, transferred, encumbered or sublet in whole or in part by Lessee, by operation of law or otherwise, without Lessor's prior written consent.

13. Indemnity by Lessee. Lessee agrees that Lessor shall not be liable for any claims for death of or injury to persons or damages to or destruction of property sustained by Lessee or by any other person in the premises, including without limiting the generality of the foregoing, any claims caused by or arising from the condition or maintenance of any part of the premises or the building. Lessee hereby waives all claims therefor and agrees to indemnify Lessor against any such loss, damage or liability or any expense incurred by Lessor in connection therewith.

14. **Default; Remedies.** The occurrence of any of the following events shall be deemed a breach of this lease, namely: if Lessee shall make an assignment for the benefit of creditors or shall file a voluntary petition under any bankruptcy act or under any other law for the relief of debtors; or if an involuntary petition is filed against Lessee under any such law and is not dismissed within sixty days after filing; or if a receiver be appointed for the property of Lessee and is not discharged or removed within sixty days; or if any department of any government or any officer thereof shall take possession of the business or property of Lessee; or if the Lessee is adjudicated a bankrupt. Upon any such occurrence Lessor, at their option, may terminate this lease by notice to Lessee, and upon such termination Lessee shall quit and surrender the premises to Lessor.

If Lessee shall default in performance of any of Lessee's obligations under this lease or shall violate any term or provision of this lease, or if the premises shall be left vacant or unoccupied for a period of thirty days, Lessor may, upon giving Lessee any notice required by law, terminate this lease, and upon such termination Lessee shall quit and surrender the premises to Lessor.

If the demised premises, or any part thereof, shall be deserted or become vacant during the term of this lease, or if any default is made in the performance of any of the covenants herein contained, Lessor or their representatives may re-enter the premises by summary or other proceedings and remove all persons therefrom, without being liable to prosecution therefor. Lessor may on re-entry rent the premises, reserving the right to rent them for a longer period of time than that fixed in the original lease, without releasing the original tenant from liability, applying any sums collected, first to the expense of resuming or obtaining possession, second to restoring the premises to a rentable condition, and finally to the payment of the charges due and to become due to Lessor, any surplus to be paid to Lessee, who shall remain liable for any deficiency.

15. **Property Abandoned on Premises.** Any property left in or upon the premises after the termination of this lease shall be deemed to have been abandoned by Lessee and become the property of Lessor to dispose of as Lessor deems expedient without accounting to Lessee therefor.

16. **Notices.** All notices, demands and requests to be given by either party to the other shall be in writing. All notices, demands and requests by Lessor to Lessee shall be sent by United States registered or certified mail, postage prepaid, addressed to Lessee at P. O. Box 356, Carson, Washington 98610, or at such other place as Lessee may from time to time designate by notice to Lessor. All notices, demands, and requests by Lessee to the Lessor shall be sent by United States registered or certified mail, postage prepaid, addressed to Lessor at 842 N.W. Fifth, Clatskanie, Oregon 97016, or at such other place as Lessor may from time to time designate by notice to Lessee. Notices, demands, and requests served upon Lessor or Lessee as provided in this Section in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder at the time such notice, demand, or request shall be so mailed in the post office in Stevenson, Washington.

17. **Miscellaneous.**

(a) **Non-Waiver.** No failure of Lessor to insist upon the strict performance of any provision of this lease shall be construed as depriving Lessor of the right to insist on strict performance of such provision or any other provision in the future.

No waiver by Lessor of any provision of this lease shall be deemed to have been made unless expressed in writing and signed by Lessor. No acceptance of any value added to the building by Lessor from Lessee after any default by Lessee shall constitute a waiver of any such default or any other default. Consent by Lessor in any one instance shall not dispense with the necessity of consent by Lessor in any other instance.

(b) **Attorney's Fees.** If an action be commenced to enforce any of the provisions of this lease, the prevailing party shall, in addition to its other remedies, be entitled to recover its reasonable attorneys' fees.

(c) **Entire Agreement.** This document contains the entire and integrated agreement of the parties and may not be modified except in writing signed and acknowledged by both parties.

(d) **Remedies Cumulative.** The specified remedies to which Lessor may resort under the terms of this lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which Lessor may lawfully be entitled in case of any breach or threatened breach by Lessee of any provision of this lease.

(e) **Time.** Time is of the essence of this lease.

(f) **Conflict of Provisions.** In case of a conflict of provisions of this lease, the more specific provision of this lease shall control.

(g) **Binding Effect.** This agreement shall be binding upon the parties hereto and upon their respective executors, administrators, legal representatives, successors and assigns.

EXECUTED as of the date first above written.

LESSOR:

Joseph A. Jaksha
JOSEPH A. JAKSHA
Doreen M. Jaksha
DOREEN M. JAKSHA

LESSEE:

James F. Wright
JAMES F. WRIGHT
Cheryl Wright
CHERYL WRIGHT

STATE OF Oregon)
NOTARY) ss.
County of Columbia)
PUBLIC

On this day personally appeared before me JOSEPH A. JAKSHA and DOREEN M. JAKSHA, 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 30th day of November, 1989.

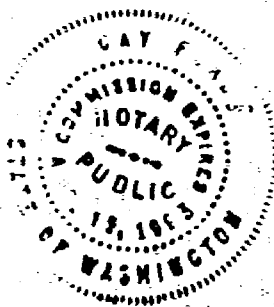
Russell F. Schaffer
Notary Public in and for the
State of Oregon, residing
at Clatskanie

Commission expires: _____

STATE OF WASHINGTON)
) ss.
County of Skamania)

On this day personally appeared before me JAMES F. WRIGHT and CHERYL WRIGHT, 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 28th day of November, 1989.



Gary F. Wright
Notary Public in and for the
State of Washington, residing
at *Carson, Wa.*

Commission expires: *0-15-93*

FILED RECORD

BY *Kidpinski & Larne*

DEC 7 3 55 PM '89

P. Lowry

GARY F. WRIGHT