

109258

BOOK 118 PAGE 952

EXCHANGE AGREEMENT AND CONTRACT OF SALE

FILED FOR RECORD
SKAMANIA CO. WASH
BY SKAMANIA CO. TITLE

MAY 18 2 08 PM '90

P. Lowry

GARY M. OLSON

("Sellers")

DATED: April 14, 1990

BETWEEN: NORBERT J. KIEDROWSKI and
JOYCE E. KIEDROWSKI, divorced

and

CROWN PACIFIC, LTD.
an Oregon corporation
121 S.W. Morrison Street
Suite 900
Portland, Oregon 97204

("Purchaser")

RECITALS:

Sellers own a one-third (1/3) undivided interest in the real property located in Skamania County, Washington and described in attached Exhibit "A" subject only to those encumbrances described in attached Exhibit "B" (the "Property").

Sellers agree to sell their entire interest in the Property to Purchaser and Purchaser agrees to buy the Property from Sellers for the price and on the terms and conditions set forth below:

1. Purchase Price; Payment

1.1 Total Purchase Price. Purchaser promises to pay Sellers as the total purchase price for their interest in the Property, the sum of One Hundred Eighty-three Thousand Three Hundred Dollars (\$183,300).

1.2 Payment of Total Purchase Price. The total purchase price shall be paid as follows:

1.2.1 Purchaser has previously paid to Sellers the sum of Five Thousand Dollars (\$5,000) as an earnest money deposit. This sum shall be applied to the purchase price at closing.

1.2.2 At Closing, Purchaser shall exchange and convey to Sellers in partial consideration of the Purchase Price, real property owned by Purchaser, legally described on the attached Exhibit "C" and by this reference made a part hereof and referred to herein commonly as the Robinson Property. The value assigned to the Robinson Property for the purposes of this Exchange Agreement and Contract of Sale shall be Sixteen Thousand Five Hundred Thirty-two and 15/100 Dollars (\$16,532.15) which shall be credited to the Purchase Price.

Glenda J. Kimmel, Skamania County Assessor
By: *DM* Parcel # 3-5-500, 501, 502, 503

Registered _____
Indexed, *h* _____
Indirect _____
Filed *5/25/90* _____
Mailed _____

13555 REAL ESTATE EXCISE TAX

MAY 18 1990
PAID *2510.47*
J. W. Deputy
SKAMANIA COUNTY TREASURER

1.2.3 Purchaser shall pay on the Closing Date, as defined in Section 3.1, the sum of Twenty-eight Thousand Four Hundred Sixty-seven and 85/100 Dollars (\$28,467.85) as a down payment on the purchase price.

1.2.4 Interest on the remaining balance of One Hundred Thirty-Three Thousand Three Hundred Dollars (\$133,300) shall accrue at the rate of ten percent (10%) per annum from the Closing Date. The unpaid balance of the purchase price shall be paid in three (3) annual principal installments of Forty-four Thousand Dollars (\$44,000) due on April 1, 1991; Forty-four Thousand Dollars (\$44,000) due on April 1, 1992; and a final principal payment of Forty-five Thousand Three Hundred Dollars (\$45,300) on April 1, 1993. The annual principal payments will be in addition to accrued interest which will be due annually at the time of the principal payments.

1.3 Prepayments. All prepayments shall be applied to the last installments due under this Contract and shall not excuse Purchaser from making the regular annual payments due under this Contract until the remaining balance has been paid in full. This paragraph shall apply to any payments due under this Contract which are accelerated because of Purchaser's default under any of the provisions of this Contract.

2. Taxes and Liens

2.1 Obligation to Pay. One-third (1/3) of all ad valorem real and personal property taxes and all governmental or other assessments levied against the Property for the current tax year shall be prorated between Sellers and Purchaser as of closing. Purchaser shall pay when due, one-third (1/3) of all taxes and assessments which are levied against the Property after the closing date but Purchaser may elect to pay taxes and assessments in accordance with any available installment method.

2.2 Right to Contest. If Purchaser objects in good faith to the validity or amount of any tax, assessment or lien, Purchaser, at Purchaser's sole expense, may contest the validity or amount of the tax or assessment or lien provided that Sellers' security interest in the Property is not jeopardized. Purchaser shall otherwise keep the Property free from all liens which may be lawfully imposed upon the Property after closing, other than the lien of current taxes not yet due.

2.3 Omission from Tax Rolls. Sellers covenant and warrant to Purchaser that all the Property and its improvements are fully reflected on the real property assessment rolls of the county. Sellers shall indemnify and hold Purchaser harmless from and against any subsequent claim or assessment on account of any of the Property or its improvements being omitted for any reason from the rolls.

2.4 Classification. The Property is classified as conservancy land. Purchaser shall be responsible for any additional taxes, penalties or interest resulting from any disqualification of the Property from such classification.

2.5 Tax Statements. Purchaser shall provide Sellers with written evidence reasonably satisfactory to Sellers that all taxes and assessments have been paid when due. Purchaser shall submit this evidence after each required payment of taxes and assessments.

3. Closing

3.1 Closing Date. This transaction shall be closed on or before March 30, 1990. As used in this Contract, the "Closing Date" means the date on which this Contract or a memorandum of this Contract is recorded.

3.2 Responsibility of Parties. At closing, Purchaser shall pay the amount of cash specified in Section 1.2.3 above, shall deed the Robinson Property described in Paragraph 1.2.2, above, to Sellers and Sellers shall have received a commitment for the issuance of a purchaser's policy of title insurance as described in Section 9.

3.3 Prorates and Closing Costs. Except as otherwise provided in this Contract, all items to be prorated shall be prorated as of closing. Sellers shall be responsible for the payment of the title insurance premium, one-half (1/2) of the escrow fee and all of the excise tax assessed. Purchaser shall be responsible for payment of the recording fees for recording this Contract or a memorandum thereof and one-half (1/2) of the escrow fee.

4. Possession. Purchaser shall be entitled to possession of the Property from and after closing; provided, however, that Sellers and Sellers' agents may enter upon the Property at reasonable times upon prior notice to Purchaser for the purpose of inspecting the Property.

5. Maintenance; Compliance with Laws; Timber Severance

5.1 Maintenance. Purchaser shall keep all buildings, other improvements, and landscape now existing or which shall be placed on the Property in good condition and repair, and shall not permit any waste or removal of the improvements, nor make any substantial improvements or alterations which reduce the value of the Property for security purposes without the prior written consent of Sellers.

5.2 Compliance with Laws. Purchaser shall promptly comply with all laws, ordinances, regulations, directions, rules and other requirements of all governmental authorities applicable to the use or occupancy of the Property and in this connection promptly make all required repairs, alterations and additions. Purchaser may contest in good faith any such requirements and withhold compliance during any proceeding, including appropriate appeals, so long as Sellers' interest in the Property is not jeopardized.

5.3 Timber Severance. Until this Contract has been paid in full, Purchaser is precluded from harvesting any merchantable timber from the Property.

6. **Liability Insurance.** During the term of this Contract, Purchaser shall maintain public liability and property damage insurance with limits of not less than Fifty Thousand Dollars (\$50,000) for injury to one person and Ten Thousand Dollars (\$10,000) for injury to two or more persons in one occurrence, and Twenty-five Thousand Dollars (\$25,000) for damage to property. Such insurance shall cover all risks arising directly or indirectly out of Purchaser's activities on or any condition of the Property; shall protect Purchaser against the claims of Sellers on account of the obligations assumed by Purchaser under Section 7; and shall protect Sellers and Purchaser against claims of third persons. Such policies shall be written in such form, with such terms and by such insurance companies reasonably acceptable to Sellers. Purchaser shall deliver to Sellers certificates of coverage from each insurer containing a stipulation that coverage will not be canceled or diminished without a minimum of ten (10) days' written notice to Sellers.

7. **Indemnification.** Purchaser shall forever defend, indemnify and hold Sellers harmless from any claim, loss or liability arising out of or in any way connected with Purchaser's possession or use of the Property, Purchaser's conduct with respect to the Property or any condition of the Property. In the event of any litigation or proceeding brought against Sellers and arising out of or in any way connected with any of the above events or claims, against which Purchaser agrees to defend Sellers, Purchaser shall, upon notice from Sellers, vigorously resist and defend such actions or proceedings through legal counsel reasonably satisfactory to Sellers.

8. **Covenants of Sellers**

8.1 **Covenants of Title.** Sellers warrant that they are the owners of good and marketable title as to a one-third (1/3) undivided interest in the Property free of all liens and encumbrances except those referred to on attached Exhibit "B".

9. **Title Insurance (Purchaser's Policy).** Sellers shall furnish at Sellers' expense, a purchaser's title insurance policy in the amount of One Hundred Eighty-three Thousand Three Hundred Dollars (\$183,300) within ten (10) days from the Closing Date, insuring Purchaser against loss or damage sustained by Purchaser by reason of the unmarketability of Sellers' title, or liens or encumbrances affecting the Property, excepting matters contained in the usual printed exceptions in such title insurance policies, and those referred to on attached Exhibit "B".

10. **Deed.** Upon payment of the total purchase price for the Property as provided in this Contract and performance by Purchaser of all other terms, conditions and provisions of this Contract, Sellers shall forthwith deliver to Purchaser a good and sufficient warranty deed conveying Sellers' interest in the Property free and clear of all liens and encumbrances, except those referred to on attached Exhibit B and all liens or encumbrances suffered by or placed upon the Property by Purchaser subsequent to the date of this Contract.

11. Default

11.1 Events of Default. Time is of the essence of this Contract. A default shall occur under any of the following circumstances:

(a) Failure of Purchaser to make any payment within ten (10) days of the date Sellers provide Purchaser of non-payment of an installment due.

(b) Failure of Purchaser to perform any other obligation contained in this Contract within thirty (30) days after notice from Sellers specifying the nature of the default or, if the default cannot be cured within 30 days, failure within such time to commence and pursue curative action with reasonable diligence. No notice of default and no opportunity to cure shall be required if during any twelve (12) month period Sellers have already sent a notice to Purchaser concerning default in the performance of the same obligation.

(c) Dissolution, termination of existence, insolvency on a balance sheet basis or business failure of Purchaser; the commencement by Purchaser of a voluntary case under the federal bankruptcy laws or under other federal or state law relating to insolvency or debtor's relief; the entry of a decree or order for relief against Purchaser in an involuntary case under the federal bankruptcy laws or under any other applicable federal or state law relating to insolvency or debtor's relief; the appointment or the consent by Purchaser to the appointment of receiver, trustee, or custodian of Purchaser or of any of Purchaser's property; an assignment for the benefit of creditors by Purchaser or Purchaser's failure generally to pay its debts as such debts become due. If one of the parties collectively referred to as Purchaser suffers an event of default under this subsection, such event of default shall be considered the default of Purchaser.

(d) The making or suffering by Purchaser of a fraudulent transfer under applicable federal or state law; concealment by Purchaser of any of its property from creditors; the making or suffering by Purchaser of a preference within the meaning of the federal bankruptcy law; or the imposition of a lien through legal proceedings or distraint upon any of the property of Purchaser. If one of the parties collectively referred to as Purchaser suffers an event of default under this subsection, such event of default shall be considered the default of Purchaser.

11.2 Remedies on Default. In the event of a default, Sellers 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) With respect to any part of the Property which constitutes personal property in which Sellers have a security interest, Sellers may exercise the rights and remedies of a secured party as provided by the Uniform Commercial Code.

(d) In the event Purchaser fails to make any payment within 10 days after it is due, Sellers may elect to impose a late charge not to exceed 15 cents per dollar of the installment.

(e) Declare this Contract to be void as of a date not less than 30 days after notice to Purchaser in writing of Sellers' intention to do so, unless the performance then due under this Contract is tendered or accomplished prior to the time stated. Upon the maturing of such declaration, all of Purchaser's rights under this Contract shall cease without further act by Sellers, Sellers shall be entitled to immediate possession of the Property and all payments previously made to Sellers by Purchaser may be retained by Sellers as reasonable rental of the Property up to the time of default.

(f) Sellers shall be entitled to the appointment of a receiver as a matter of right whether or not the apparent value of the Property exceeds the amount of the balance due under this Contract, and any receiver appointed may serve without bond. Employment by Sellers shall not disqualify a person from serving as a receiver. Upon taking possession of all or any part of the Property, the receiver may:

(i) Use, operate, manage, control and conduct business on the Property and make necessary expenditures for all maintenance and improvements as in its judgment are proper;

(ii) Collect all rents, revenues, income, issues, and profits from the Property and apply such sums to the necessary expenses of use, operation and management;

(iii) At Sellers' option, complete any construction in progress on the Property, and in that connection, pay all bills, borrow funds, employ contractors and make any changes in plans and specifications as Sellers deem appropriate.

If the revenues produced by the Property are insufficient to pay expenses, the receiver may borrow, from Sellers or otherwise, such sums as it deems necessary for the purposes stated in this paragraph, and repayment of such sums shall be secured by this Contract. Amounts borrowed from or advanced by Sellers shall bear interest at the same rate as the balance of the purchase price upon this Contract from the date of expenditure until repaid and shall be paid by Purchaser on demand.

(g) Purchaser hereby assigns to Sellers all rents, revenues, income, issues and profits (the "Income") from the Property, whether now or hereafter due. Prior to default, Purchaser may operate and manage

the Property and collect the Income from the Property. In the event of default and at any time hereafter, Sellers may revoke Purchaser's right to collect the Income from the Property and may, either itself or through a receiver, collect the same. To facilitate collection, Sellers may notify any tenant or other user to make payments of rents or use fees directly to Sellers. If the Income is collected by Sellers, then Purchaser irrevocably designates Sellers as Purchaser's attorney in fact to endorse instruments received in payment thereof in the name of Purchaser and to negotiate the same and collect the proceeds. Payments by tenants or other users to Sellers in response to Sellers' demand shall satisfy the obligation for which the payments are made, whether or not any proper grounds for the demand existed. Sellers shall apply the Income first to the expenses of renting or collection and the balance (if any) to payment of sums due from Purchaser to Sellers under this Contract.

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

12. Waiver. Failure of either party at any time to require performance of any provision of this Contract shall not limit the party's right to enforce the provision, nor shall any waiver of any breach of any provision constitute a waiver of any succeeding breach of that provision or a waiver of that provision itself.

13. Successor Interests. This Contract shall be binding upon and inure to the benefit of the parties, their successors, and assigns but no interest of Purchaser shall be assigned, subcontracted, or otherwise transferred, voluntarily or involuntarily, without the prior written consent of Sellers, which consent shall not be unreasonably withheld.

14. 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 prior or existing written and oral agreements including any earnest money agreement between the parties or their representatives relating to the Property.

15. Notice Any notice under this Contract shall be in writing and shall be effective when actually delivered in person or when deposited in the U.S. mail, registered or certified, postage prepaid and addressed to the party at the address stated in this Contract or such other address as either party may designate by written notice to the other.

16. Applicable Law. The Property is located in Washington. The parties agree that the laws of the state of Washington shall be utilized in construing the Contract and enforcing the rights and remedies of the parties.

17. Costs and Attorney Fees. In the event Sellers or Purchaser shall take any action, judicial or otherwise, to enforce or interpret any of the terms of this Contract, the prevailing party shall be entitled to recover from the other party all expenses which it may reasonably incur in taking such action, including but not limited to costs incurred in searching

records, the cost of title reports, surveyors reports and foreclosure reports and attorney fees, whether incurred in a suit or action or appeal from a judgment or decree therein or in connection with nonjudicial action.

18. Number, Gender, and Captions. As used herein, the singular shall include the plural, and the plural the singular. The masculine and neuter shall each 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 limit any of the provisions of this Contract.

19. Survival of Covenants. Any covenants the full performance of which is not required prior to the closing or final payment of the purchase price shall survive the closing and the final payment of the purchase price and be fully enforceable thereafter in accordance with their terms.

20. Representations; Condition of Property. Purchaser accepts the land, buildings, improvements and all other aspects of the Property in their present condition and any personal property sold under this Contract AS IS, including latent defects, without any representations or warranties, expressed or implied, unless they are expressly set forth in this Contract or are in writing signed by Sellers. Purchaser agrees that Purchaser has ascertained, from sources other than Sellers, the applicable zoning, building, housing, and other regulatory ordinances and laws and that Purchaser accepts the Property with full awareness of these ordinances and laws as they may affect the present use or any intended future use of the Property and Sellers have made no representations with respect to such laws or ordinances.

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.

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

"Sellers"

NORBERT J. KIEDROWSKI

JOYCE E. KIEDROWSKI

"Purchaser"

CROWN PACIFIC, LTD.
an Oregon corporation

By: *[Signature]*

records, the cost of title reports, surveyors reports and foreclosure reports and attorney fees, whether incurred in a suit or action or appeal from a judgment or decree therein or in connection with nonjudicial action.

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20. Representations; Condition of Property. Purchaser accepts the land, buildings, improvements and all other aspects of the Property in their present condition and any personal property sold under this Contract AS IS, including latent defects, without any representations or warranties, expressed or implied, unless they are expressly set forth in this Contract or are in writing signed by Sellers. Purchaser agrees that Purchaser has ascertained, from sources other than Sellers, the applicable zoning, building, housing, and other regulatory ordinances and laws and that Purchaser accepts the Property with full awareness of these ordinances and laws as they may affect the present use or any intended future use of the Property and Sellers have made no representations with respect to such laws or ordinances.

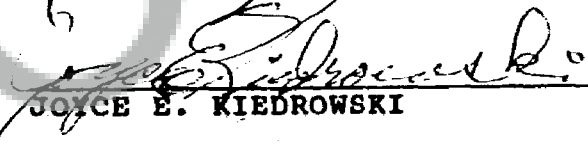
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

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

"Sellers"



 ROBERT J. KIEDROWSKI



 JOYCE E. KIEDROWSKI

"Purchaser"

CROWN PACIFIC, LTD.
 an Oregon corporation

By: _____

STATE OF)
) ss
County of)

On this _____ day of _____, 1990, personally appeared before me Norbert J. Kiedrowski to me known to be the individual 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.

Notary Public for Oregon
My Commission Expires:

STATE OF)
) ss
County of)

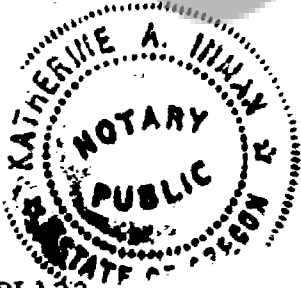
On this _____ day of _____, 1990, personally appeared before me Joyce E. Kiedrowski to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

Notary Public for Oregon
My Commission Expires:

STATE OF OREGON)
) ss
County of Multnomah)

The foregoing instrument was acknowledged before me this 12TH day of April, 1990 by Roger L. Krause, who is the Secretary of Crown Pacific, Ltd., an Oregon corporation.

Katherine A. Hanna
Notary Public for Oregon
My Commission Expires: 7/18/90

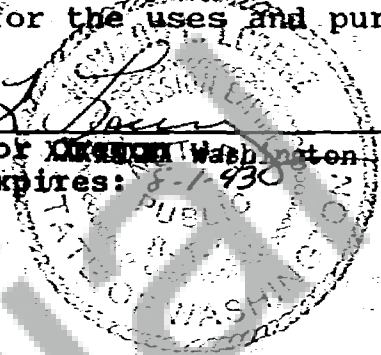


CPL122

STATE OF Washington)
County of Clark) ss Norbert J. Kiedrowski

On this 14 day of April, 1990, personally appeared before me Norbert J. Kiedrowski to me known to be the individual 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.

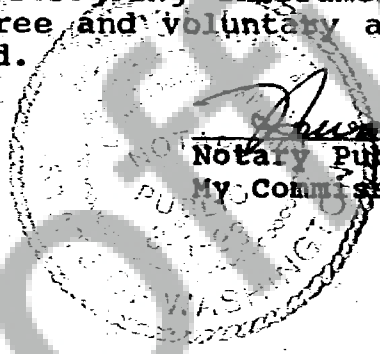
Howard L. Loun
Notary Public for ~~OREGON~~ Washington
My Commission Expires: 8-1-930



STATE OF Washington)
County of Clark) ss Joyce E. Kiedrowski

On this 14 day of April, 1990, personally appeared before me Joyce E. Kiedrowski to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

Howard L. Loun
Notary Public for ~~OREGON~~ Washington
My Commission Expires: 8-1-930



STATE OF OREGON)
County of Multnomah) ss

The foregoing instrument was acknowledged before me this _____ day of _____, 1990 by _____, who is the _____ of Crown Pacific, Ltd., an Oregon corporation.

Notary Public for ~~OREGON~~ Washington
My Commission Expires: _____

BOOK 118 PAGE 963

EXHIBIT "A"

The East half of Section 24, Township 3 North, Range
5 East of the Willamette Meridian, Skamania County
Washington.

Unofficial
Copy

EXHIBIT "B"

1. Potential Taxes by reason of property being assessed under Classified use.
2. RESERVATION OF MINERALS INCLUDING THE TERMS AND PROVISIONS THEREOF
IN FAVOR OF: F.A. MABEE, ET UX
RECORDED: JANUARY 17, 1910
RECORDING NO.: BOOK "M" AT PAGE 146
(AFFECTS THE NORTHEAST QUARTER)
3. RESERVATION OF MINERALS INCLUDING THE TERMS AND PROVISIONS THEREOF
IN FAVOR OF: SUSON E. SALLING HAWES, ET AL
RECORDED: MARCH 30, 1921
RECORDING NO.: BOOK "S" AT PAGE 241
(AFFECTS THE SOUTHEAST QUARTER)
4. AGREEMENT, INCLUDING ITS TERMS, COVENANTS AND PROVISIONS;
BETWEEN: DELLA B. MILLER, ET AL AND DAVID C. LIVOLSI, ET UX
RECORDED: APRIL 19, 1978
RECORDING NO.: 86151 AT PAGE 5 OF AGREEMENTS AND LEASES AT PAGE 924
FOR: BRIDGE MAINTENANCE
5. EASEMENT INCLUDING ITS TERMS, COVENANTS AND PROVISIONS AS DISCLOSED BY
INSTRUMENT;
IN FAVOR OF: STATE OF WASHINGTON, DEPARTMENT OF NATURAL RESOURCES
RECORDED: JULY 3, 1962
RECORDING NO.: 60149 IN BOOK 50 AT PAGE 62
FOR: ROAD RIGHTS
6. ANY QUESTION THAT MAY ARISE DUE TO SHIFTING OR CHANGE IN THE COURSE OF THE WASHOUGAL RIVER AND ITS TRIBUTARIES OR DUE TO SAID RIVER HAVING SHIFTED OR CHANGED ITS COURSE, AND RIGHTS OF THE STATE OF WASHINGTON IN AND TO THAT PORTION OF SAID PREMISES, IF ANY, LYING IN THE BED OR FORMER BED OF SAID RIVER, IF IT IS NAVIGABLE.
7. ANY PROHIBITION OR LIMITATION ON THE USE, OCCUPANCY OR IMPROVEMENTS OF THE LAND RESULTING FROM THE RIGHTS OF THE PUBLIC OR RIPARIAN OWNERS TO USE ANY WATERS WHICH MAY COVER THE LAND OR TO USE ANY PORTION OF THE LAND WHICH IS NOW OR MAY FORMERLY HAVE BEEN COVERED BY WATER, AND THE RIGHT OF USE, CONTROL OR REGULATION BY THE UNITED STATES OF AMERICA IN EXERCISE OF POWER OVER NAVIGATION.