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BOOK 119 PAGE 766

FILED FOR RECORD
SKAMANIA CO. WASH
BY *Gini Page*

JUL 11 3 28 PM '90

J. Lawry
GARY H. CROON

REAL ESTATE CONTRACT

THIS CONTRACT is made and entered into this 29th day of June, 1990, by and between the undersigned parties in consideration of the mutually beneficial terms and provisions hereof. It is now agreed as follows:

1. PARTIES. The parties to this Agreement are as follows:
 - A. HAROLD SAMSEL, a single man, hereinafter called "Seller".
 - B. SPENCER GARWOOD and COLLEEN GARWOOD, husband and wife, hereinafter called "Purchaser".
2. PROPERTY SOLD. Seller agrees to sell to the Purchaser, and the Purchaser agrees to purchase from the Seller, the following described real estate, with appurtenances, (hereinafter called "Property") located in Skamania County, Washington:

The West 90 feet of the following described property: A tract of land located in the South half of the Southeast quarter of the Southwest quarter (S 1/2 SE 1/4 SW 1/4) of Section 17, Township 3 North, Range 8 East of the Willamette Meridian, described as follows:

Beginning at the Northeast corner of the South half of the Southeast quarter of the Southwest quarter of the said Section 17; thence West 208 feet following the North line of the South half of the Southeast quarter of the Southwest quarter of said Section 17 to the initial point of the tract hereby described; thence West 208 feet following the North line of the South half of the Southeast quarter of the Southwest quarter of the said Section; thence South 208 feet; thence East 208 feet to the point South of the initial point; thence North 208 feet to the initial point;
LESS County road right of way.

ALSO KNOWN as Lot 1 of Charles H. and Veda A. Coates Short Plat recorded July 19, 1978, in Book 2, page 61, Skamania County Short Plat records;

LESS the County road right of way.

Subject to easements, reservations, restrictions, plat dedications, restrictive covenants, either of record or in apparent use, and future municipal district assessments, if any.

Together with all currently attached plumbing, irrigation, water, heating and lighting fixtures, attached television antennae or other

REAL ESTATE CONTRACT - 1

Registered
Index
Filed
Noted
2-13-90

SKAMANIA COUNTY TREASURER

PAID

JUL 11 1990

REAL ESTATE EXCISE TAX

137.1

Skamania County Auditor
By: *[Signature]*
2041 - 5-11-8-5 - 8-11-5 - 104

attached or built-in appliances, all attached bathroom accessories, all shades, curtain and drapery rods, screens and storm windows, linoleum and wall-to-wall carpeting attached to said property.

3. PRICE AND TERMS. The purchase price of the Property is THIRTY THOUSAND DOLLARS (\$30,000.00) of which Ten Thousand Dollars (\$10,000.00) has been paid down, with Purchaser to pay all closing costs, including attorney's fees, and the balance of said purchase price shall be paid as follows:

A. Payments. Payments of principal and interest, due from the Purchaser to the Seller, shall be \$10,000.00 per year. All payments shall be due on June 1 of each of the next two (2) years, commencing with the June 1, 1991, payment and with the second additional payment on June 1, 1992.

B. Prepayment. Prepayment of the Purchaser's principal obligation shall be permitted. In the event Purchaser elects to prepay any payments on this contract, such that Seller then becomes obligated to pay any prepayment penalties on any underlying obligation, the Purchaser shall immediately pay any such prepayment penalties in addition to all other payments owed pursuant to this contract.

C. Payoff. On or before June 1, 1992, the Purchaser shall pay to the Seller, in its entirety, the then unpaid principal balance, together with all other sums, owed pursuant to the terms of this contract.

4. PLACE OF PAYMENTS. All payments to be made hereunder shall be made to Seller at 8614 N.E. 62nd Street, Vancouver, WA 98662, or at such other place as Seller may direct in writing.

5. DATE OF CLOSING. As referred to in this contract the "date of closing" shall be the date this Contract is recorded, or thirty (30) days after the date above, whichever first occurs.

6. PAYMENT OF TAXES AND ASSESSMENTS. The Purchaser assumes and agrees to pay before delinquency all taxes and assessments that may as between Seller and Purchaser hereafter become a lien on said real estate; and if by terms of this contract the Purchaser has assumed payment of any mortgage, contract or other encumbrance, or has assumed payment of or agreed to purchase subject to, any taxes or assessments now a lien on said real estate, the Purchaser agrees to pay the same before delinquency.

7. INSURANCE. The Purchaser agrees, until the purchase price is fully paid, to keep the buildings now and hereafter placed on said real estate, insured to the actual cash value thereof against loss or damage by both fire and windstorm and to maintain property owner's liability coverage, in a company acceptable to the Seller and for the Seller's benefit, as their interest may appear and to pay all premiums therefor and to deliver all policies and renewals thereof to the Seller. The Seller agrees that, in the event of any insured loss during the life of this contract, the Purchaser may, at Purchaser's option, use any insurance funds remaining after payment of reasonable expenses of procuring the same to diligently restore or reconstruct the improvements to substantially the same condition as existed prior to the loss; provided, however, that the Purchaser shall have the right to use the proceeds in this manner only if

the Purchaser is not in default under this contract at the time of the loss and only if the Purchaser causes any insurance proceeds to be placed in a trust account or disbursement account, assuring the use of the funds for reconstruction or restoration as provided herein.

8. PURCHASER'S LIENS. The Purchaser agrees, until the purchase price is fully paid, not to permit any judgment liens or other liens of whatsoever nature, arising from any action or claim against the Purchaser, to remain on the property for more than thirty (30) days. In the event any such lien is placed upon the property, the Purchaser agrees to pay the underlying obligation giving rise to the lien, or to assume the responsibility for instituting the proper legal action to clear the lien. In the event of suit or other action by any lien holder to enforce or foreclose such a lien, the Purchaser agrees to indemnify the Seller for all loss, costs or expense, including attorney's fees, incurred by the Seller in defending such suit or foreclosure action.

9. SELLER'S LIENS. The Seller agrees, until the purchase price is fully paid, not to permit any judgment liens or other liens of whatsoever nature, arising from any action or claim against the Seller, to remain on the property for more than thirty (30) days. In the event any such lien is placed upon the property, the Seller agrees to pay the underlying obligation giving rise to the lien, or to assume the responsibility for instituting the proper legal action to clear the lien, or to apply all payments thereafter received from Purchaser (net of any payments thereafter due from Seller on any senior underlying interest) to the partial satisfaction of such lien. In the event of suit or other action by any lien holder to enforce or foreclose such a lien, the Seller agrees to indemnify the Purchaser for all loss, costs or expense, including attorney's fees, incurred by the Purchaser in defending such suit or foreclosure action.

10. INSPECTION. The Purchaser agrees that full inspection of said real estate has been made and that neither the Seller nor his assigns shall be held to any covenant respecting the condition of any improvements thereon nor shall the Purchaser or Seller or the assigns of either be held to any covenant or agreement for alterations, improvements or repairs unless the covenant or agreement relied on is contained herein or is in writing and attached to and made a part of this contract.

11. REGULATIONS AND ZONING: The Purchaser agrees that they have had an opportunity to review all Federal, State and local regulations, including but not limited to zoning regulations and standards affecting various permit applications, and the effect that such regulations and requirements may have on the above described property, including the effect of the same on any prospective intended use or uses.

12. ASSUMPTION OF RISK. The Purchaser assumes all hazards of damage to or destruction of any improvements now on said real estate or hereafter placed thereon, and of the taking of said real estate or any part thereof for public use; and agrees that no such damage, destruction or taking shall constitute a failure of consideration.

13. CONDEMNATION. In case any part of said real estate is taken for public use, the portion of the condemnation award

remaining after payment of reasonable expenses of procuring the same shall be paid to the Seller and applied as payment on the purchase price; provided, however, that the Purchaser shall have the right to apply such condemnation award to the rebuilding or restoration of any improvement so taken as long as the Purchaser complies with the same terms and conditions as set forth for the similar use of an insurance award in the "Insurance" paragraph above.

14. TITLE INSURANCE. The Seller has delivered, or agrees to deliver, within fifteen (15) days of the date of closing, a Purchaser's policy of title insurance in standard form, or a commitment therefor, issued by Skamania County Title insuring the Purchaser to the full amount of said purchase price against loss or damage by reason of defect in Seller's title to said real estate as of the date of closing and containing no exceptions other than the following:

- A. Printed general exceptions appearing in said policy form;
- B. Liens or encumbrances which by the terms of this contract the Purchaser is to assume, or as to which the conveyance hereunder is to be made subject; and
- C. Any existing contract or contracts under which Seller is purchasing said real estate, and any mortgage or other obligation, including all terms and provisions thereunder, which Seller by this contract agrees to pay, none of which for the purposes of this paragraph shall be deemed defects in Seller's title;
- D. Easements, covenants, restrictions and reservations of record.

15. NONASSIGNMENT. It is agreed that no right, title or interest to the property herein involved or to the contract here executed shall be assigned, given, sold or conveyed by Purchaser hereto without the express written consent of the Seller. Purchaser agrees to pay Seller's reasonable costs (including attorney's fees and credit-report fees) in evaluating any proposed sale or other assignment. The Seller agrees not to withhold consent to any sale or transfer to any buyer or other assignee who meets each of the following tests:

- A. Is financially qualified and credit-worthy.
- B. Acquires their interest subject to the terms and provisions of this Contract, which terms and provisions may be enforced by the Seller against any subsequent assignee.
- C. Subordinates their interest in the property to the interest of the Seller, and expressly waives any right they might have to seek judgment, foreclosure, or other remedy against the Seller in the event of any breach or default by any party who is "beneath" the Seller in the chain of title.
- D. Furnishes to the Seller an address for the sending (or serving) of any notices which the Seller may wish to send to (or serve upon) such subsequent assignee.

E. Agrees that any payments required pursuant to their transaction shall be made through any escrow or collection account established hereby.

F. Accepts, as modified terms to this contract, an increase in the interest and payment rate to \$12,000.00 per year; as part of this increase in interest rate, the default interest rate, to apply in the event of any defaults subsequent to the sale or transfer, shall increase to twelve percent (12%).

16. UNDERLYING INTERESTS. If Seller's title to said real estate is subject to an existing contract or contracts under which Seller is purchasing said real estate, or any mortgage or other obligation, which Seller is to pay, Seller agrees to make such payments in accordance with the terms thereof. In the event of Seller's default as to any underlying obligation, the Purchaser shall have the right to make any payments necessary to cure the default (including any penalty, interest, or late charges properly assessed against the Seller), and any payments so made shall be credited to the payments next falling due to the Seller under this contract.

17. DEED UPON PERFORMANCE. The Seller agrees, upon receiving full payment of the purchase price and interest in the manner above specified, and upon receiving all other payments or sums due to the Seller under this Contract, to execute and deliver to Purchaser a deed to said real estate, excepting any part thereof hereafter taken for public use, free of encumbrances except any that may attach after date of closing through any person other than the Seller, and subject to the following: Easements, covenants, restrictions and reservations of record.

18. POSSESSION AND USE. Unless a different date is provided for herein, the Purchaser shall be entitled to possession of said real estate on date of closing and to retain possession so long as Purchaser is not in default hereunder. The Purchaser covenants and agrees not to structurally alter, remove, or demolish any buildings or any other improvements now located or hereafter placed on the said real estate, and to keep such buildings and improvements in good repair, and not to permit waste of the property, and not to use (or permit the use of) the real estate for any illegal purpose. The Purchaser covenants to pay all service, installation or construction charges for water, sewer, electricity, garbage or other utility services furnished to said real estate after the date Purchaser is entitled to possession.

19. SELLER'S RIGHT TO MAKE PAYMENTS. In case the Purchaser fails to make any payment herein provided, including but not limited to taxes, liens or assessments, or to maintain insurance as herein required, 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 the date of payment until repaid, shall be repayable by Purchaser on Seller's demand, all without prejudice to any other right the Seller might have by reason of such default.

20. PURCHASER'S DEFAULT. The Purchaser shall be in default under this contract if it (a) fails to observe or perform any term, covenant or condition herein set forth or those of any prior encumbrances, or (b) fails or neglects to make any payment of principal or interest or any other amount required to be discharged by the Purchaser precisely when obligated to do so, or (c) becomes or is declared insolvent or makes an assignment for

the benefit of creditors, or files any debtor's petition or any petition is filed against it under any bankruptcy, wage earner's, reorganization or similar act, or (d) permits the property or any part thereof or its interest therein to be attached or in any manner restrained or impounded by process of any court, or (e) abandons the property for more than thirty (30) consecutive days (unless the property is otherwise occupied), or (f) conveys the property or a portion thereof without any prior written consent required herein of the Seller.

21. SELLER'S REMEDIES. In the event the Purchaser is in default under this contract, the Seller may, at its election, take the following courses of action:

A. Suit for Delinquencies. The Seller may institute suit for any installment amounts or other sums due and payable under this contract as of the date of the judgment and any sums which have been advanced by Seller as of said date pursuant to the provisions of this contract, together with interest on all of said amounts at the default rate from the date each such amount was advanced or due, as the case may be, to and including the date of collection;

B. Acceleration. Upon giving the Purchaser not less than fifteen (15) days' written notice of its intent to do so (within which time any monetary default may be cured without regard to the acceleration), and if the default is in the nature of a failure to timely pay any principal, interest, insurance premium, tax, or other sum of money required to be paid herein or any failure to obtain any consent of the Seller herein required for a conveyance of the Purchaser's title to the property, or if the Purchaser commits waste on the property, the Seller may declare the entire unpaid balance of the purchase price and all interest then due thereon and the prepayment premium to be immediately due and payable and institute suit to collect such amounts, together with any sums advanced by the Seller pursuant to the provisions of this contract, and together with interest on all of said sums at the default rate from the due date or date of each such advance to and including the date of collection;

C. Forfeiture and Repossession. The Seller may cancel and render void all rights, titles and interests of the Purchaser and its successors in this contract and in the property (including all of Purchaser's then existing rights, interests and estates therein and timber, crops and improvements thereon) by giving a Notice of Intent to Forfeit pursuant to RCW 61.30.040-070, and said cancellation and forfeiture shall become effective if the default therein specified has not been fully cured within ninety (90) days thereafter and the Seller records a Declaration of Forfeiture pursuant to RCW 61.30.040-070. Upon the forfeiture of this contract, the Seller may retain all payments made hereunder by the Purchaser and may take possession of the property ten (10) days following the date this contract is forfeited and summarily eject the Purchaser and any person or persons having possession of the said property by, through or under the Purchaser who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture. In the event the Purchaser or any person or persons claiming by, through or under the Purchaser who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture remain in possession of the property more than ten (10) days after such forfeiture, the Purchaser, or such person or persons, shall be deemed tenants at will of the Seller and the Seller shall be entitled to institute an action

for summary possession of the property, and may recover from the Purchaser or such person or persons in any such proceedings the fair rental value of the property for the use thereof from and after the date of forfeiture, plus costs, including the Seller's reasonable attorneys' fees;

D. Specific Performance. The Seller may institute suit to specifically enforce any of the Purchaser's covenants hereunder, and the same may include redress by mandatory or prohibitive injunction;

E. Entry upon Agricultural Property. In the event the parties hereto have indicated in the specific terms of this contract that the property is used principally for agricultural or farming purposes, the Seller shall have the right, following three (3) days' prior written notice to the Purchaser, to enter upon the real property from time to time to perform any one or more of the functions required of but not performed by the Purchaser in the agricultural provisions of this contract and to tend and care for any livestock and harvest, transport, store and sell any of the crops which may be grown on the property in such manner as the Seller shall elect, and for the purposes of this paragraph, the Purchaser grants to the Seller a security interest in all of its seeds and crops, and the products and proceeds thereof, which may now or at any time hereafter be located upon or in the property or be harvested therefrom. The exercise of this right shall not affect the liabilities of the Purchaser; provided, however, should the Seller receive any sums as a result of its actions hereunder it shall apply the same to discharge the costs and expenses, including attorneys' fees, reasonably incurred in taking said actions, together with interest thereon at the default rate from the date of expenditure to and including the date said proceeds are received, and the balance of such proceeds shall be applied against the purchase price principal last due and owing hereunder, including any prepayment premium applicable thereto. In the absence of receiving any such proceeds, or if and to the extent the same are insufficient to reimburse the Seller for such amounts and interest, the Purchaser shall reimburse the Seller for such amounts and interest on demand, with said interest being calculated to and including the date of payment;

F. Remedies under the Uniform Commercial Code. The Seller shall have and the Purchaser hereby grants to the Seller all of the rights and remedies contained in the Uniform Commercial Code in effect in the State of Washington as of the date of the Purchaser's default and to the extent such remedies may be applicable to the type of collateral affected thereby;

G. Receivership. The parties hereto recognize and agree that in the event of default by the Purchaser in making any payments or in the performance of any of the other terms and conditions of this contract, the period of time involved in repossessing the property, forfeiting this contract, or in obtaining possession of the property by judicial process could cause irreparable damage to the Seller and to the property or the possible acceleration of the debts secured by the prior encumbrances. Therefore, the Purchaser hereby expressly agrees that in the event of any default under this contract which is not cured, the Seller shall have the right to apply to the Superior Court of the county in which the real property is situated for the appointment of a receiver under Chapter 7.60 of the Revised Code of Washington (or any chapter supplemental thereto) to take

charge of and maintain control of, manage, farm, or operate the property, to evict tenants therefrom who are not then in compliance with their leases, to lease any portion or all of the property in the name of the Purchaser on such terms as the receiver may deem advisable, to make such alterations, repairs and improvements to the property as the receiver may deem advisable, and to receive all rents and income therefrom and issue receipts therefor, and out of the amounts that are so received to pay all of the debts and obligations for which the Purchaser is liable hereunder prior to or during the period of the receivership, including, without limitation, payments on or for this contract, prior encumbrances, taxes, assessments, insurance premiums, utility bills and costs of operating, maintaining, repairing and managing the property. Any sums received by the receiver in excess of said amounts shall be retained by the receiver to discharge all remaining liabilities of the Purchaser under this contract until the entirety of such obligations have been satisfied, at which point any remaining excess shall be paid to the Purchaser without interest; and

H. Property Rental. In the event this contract is forfeited as herein provided, or in any other manner permitted by law, or by mutual agreement of the Purchaser and the Seller, and the Purchaser shall thereafter remain in possession of the property beyond any period otherwise permitted by law, the Purchaser agrees that it will occupy the property as a tenant at will, and the Purchaser shall be obligated to pay, and hereby promises to pay, during the period of such tenancy at will, a fair market rental in the amount then agreed to by the parties or, in the absence of such agreement or until such agreement is reached, an amount equal to two (2) times the installment amount as and when provided for in the specific terms hereof, and the Seller shall have, in addition to all other remedies for the collection of rentals and the recovery of possession that are available to landlords under the laws of the State of Washington, the right to institute and maintain an action for summary possession of the property as provided by law.

22. CUMULATIVE REMEDIES; WAIVERS. The remedies stated herein are cumulative and not mutually exclusive and the Seller or the Purchaser may pursue any other or further remedies to enforce their respective rights under this contract; provided, however, except as provided in this contract with respect to the Purchaser's transfer of the property, the Seller shall not have the right to accelerate the remaining balance of the purchase price in the event the Seller elects to forfeit the Purchaser's interest in the property and such forfeiture is being enforced or is completed. In any action or proceeding to recover any sum or to enforce any remedy provided for herein, no defense of adequacy of security or that resort must first be taken against any particular security or any other person shall be asserted, and the Purchaser hereby expressly waives any legal or equitable rights that the Purchaser may have with respect to marshaling of assets. The Seller shall not be required to tender its deed or bill of sale as a condition precedent to the enforcement of any remedy hereunder. In the event any check is tendered which is not honored upon first presentation because of any stop payment directive or insufficient funds, the payee's rights shall be reinstated as if such check had not been delivered. No waiver of any rights of either party under this contract shall be effective unless specifically evidenced in a written agreement executed by the waiving party. Any forbearance, including, without limitation, a party's acceptance of any payment after the due date or

any extension thereof, shall not be considered a waiver of such party's right to pursue any remedy hereunder for subsequent defaults of the same or a different nature or for breach of any other term, covenant or condition hereof.

23. NOTICES. Any notice, declaration, demand or communication to be given by any party to this contract to any other party shall be in writing and transmitted to the other party by either personally delivering the notice or by certified or registered mail, return receipt requested, addressed as follows:

To Purchaser: Brooks Road
Stevenson, WA 98610

To Seller: 8614 N.E. 62nd Street
Vancouver, WA 98662

Any party may change its address by giving written notice to the other parties in the manner provided above, provided that in no event shall Seller be required to send any notice to more than one (1) addressee. The mailing and registering or certifying of any such notice as herein provided shall be sufficient service thereof. Service shall be complete when such notice is registered or certified and placed in the United States mail as shown by the cancellation stamp or postage meter stamp, as the case may be.

24. COSTS AND ATTORNEYS' FEES. If either party shall be in default under this contract, the nondefaulting party shall have the right, at the defaulting party's expense, to retain an attorney or collection agency to make any demand, enforce any remedy, or otherwise protect or enforce its rights under this contract. The defaulting party hereby promises to pay all costs and expenses so incurred by the nondefaulting party, including, without limitation, arbitration and court costs, collection agency charges, notice expenses, title search expenses, and reasonable attorneys' fees (with or without arbitration or litigation), and the failure of the defaulting party to promptly pay the same shall in itself constitute a further and additional default. In the event either party hereto institutes any action (including arbitration) to enforce the provisions of this contract, the prevailing party in such action shall be entitled to reimbursement by the losing party for its court costs and reasonable attorneys' fees, including such costs and fees that are incurred on appeal. All reimbursements required by this paragraph shall be due and payable on demand, may be offset against any sum owed to the party so liable in order of maturity, and shall bear interest at the default rate from the date of demand to and including the date of collection or the due date of any sum against which the same is offset.

25. LATE PAYMENT CHARGE. If default be made in the payment of any installment plus the grace period of thirty (30) days, in its due date, then, at the option of the holder of this Contract, without prior notice, the entire indebtedness hereby represented shall become immediately due and payable. During any time this Contract is in default, then, at the option of the holder hereof, without prior notice, this Contract shall bear interest at the maximum rate permitted by law. There shall be assessed a late charge penalty applicable as to any payment that is not paid within thirty (30) days of the due date, in the amount of \$1,000.00 or ten percent (10%) of the payment, whichever is

greater. The imposition, charge, or payment of any late payment charge, pursuant to this paragraph, shall be in addition to any other remedies available to the Seller pursuant to the terms of this contract.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first above written.

SELLER:

PURCHASER:

Kenneth S. Samsel
HAROLD SAMSEL by
Kenneth Samsel, his duly
appointed attorney-in-fact
and agent

Spencer Garwood Jr.
SPENCER GARWOOD JR.

Colleen Garwood
COLLEEN GARWOOD

STATE OF WASHINGTON)
: ss.
COUNTY OF CLARK)

I certify that I know or have satisfactory evidence that HAROLD SAMSEL, a single man, by Kenneth Samsel, his duly appointed attorney-in-fact and agent, signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 6/29/90

Amy Richardson
Notary Public
My Appointment Expires 12/12/91

STATE OF WASHINGTON)
: ss.
COUNTY OF CLARK)

I certify that I know or have satisfactory evidence that SPENCER GARWOOD and COLLEEN GARWOOD, husband and wife, signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 6/29/90

Amy Richardson
Notary Public
My Appointment Expires 12/12/91