

- (c) **PAYMENT OF AMOUNT FINANCED BY SELLER.** Buyer agrees to pay the sum of \$ 27,900.00 as follows:  
 \$ 244.84 or more at buyer's option on or before the 12th day of JANUARY  
 19 88, including interest from DECEMBER 14th, at the rate of TEN % per annum on the  
 declining balance thereof; and a like amount or more on or before the 12th day of each and every  
 MONTH thereafter until paid in full.

Note: Fill in the date in the following two lines only if there is an early cash out date.

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS DUE IN  
 FULL NOT LATER THAN DECEMBER 14th 1987.

Payments are applied first to interest and then to principal. Payments shall be made  
 at INVESTORS MORTGAGE CO./ P.O. Box 515 / Stayton, Oregon 97383

~~NO SUCH NOTICE SHALL BE GIVEN BY SELLER TO BUYER BY ANY MEANS~~

**FAILURE TO MAKE PAYMENTS ON ASSUMED OBLIGATIONS.** If Buyer fails to make any payments  
 on assumed obligation(s), Seller may give written notice to Buyer that unless Buyer makes the delinquent payment(s)  
 within fifteen (15) days, Seller will make the payment(s), together with any late charge, additional interest, penalties,  
 and costs assessed by the Holder of the assumed obligation(s). The 15-day period may be shortened to avoid the exercise of  
 any remedy by the holder of the assumed obligation. Buyer shall immediately after such payment by Seller reimburse  
 Seller for the amount of such payment plus a late charge equal to five percent (5%) of the amount so paid plus all costs  
 and attorneys' fees incurred by Seller in connection with making such payment.

(a) **OBLIGATIONS TO BE PAID BY SELLER.** The Seller agrees to continue to pay from payments received  
 hereunder the following obligation, which obligation must be paid in full when Buyer pays the purchase price in  
 full:

That certain Not applicable dated \_\_\_\_\_, recorded as AF # \_\_\_\_\_  
(Mortgage, Deed of Trust, Contract)

ANY ADDITIONAL OBLIGATIONS TO BE PAID BY SELLER ARE INCLUDED IN ADDENDUM.

(b) **EQUITY OF SELLER PAID IN FULL.** If the balance owed the Seller on the purchase price herein becomes  
 equal to the balances owed on prior encumbrances being paid by Seller, Buyer will be deemed to have assumed said  
 encumbrances as of that date. Buyer shall thereafter make payments direct to the holders of said encumbrances and  
 make no further payments to Seller. Seller shall at that time deliver to Buyer a fulfillment deed in accordance with the  
 provisions of Paragraph 8.

(c) **FAILURE OF SELLER TO MAKE PAYMENTS ON PRIOR ENCUMBRANCES.** If Seller fails to make any  
 payments on any prior encumbrance, Buyer may give written notice to Seller that unless Seller makes the delinquent  
 payments within 15 days, Buyer will make the payments together with any late charge, additional interest, penalties,  
 and costs assessed by the holder of the prior encumbrance. The 15-day period may be shortened to avoid the exercise  
 of any remedy by the holder of the prior encumbrance. Buyer may deduct the amounts so paid plus a late charge of 5%  
 of the amount so paid and any attorneys' fees and costs incurred by Buyer in connection with the delinquency from  
 payments next becoming due Seller on the purchase price. In the event Buyer makes such delinquent payments on  
 three occasions, Buyer shall have the right to make all payments due thereafter direct to the holder of such prior  
 encumbrance and deduct the then balance owing on such prior encumbrance from the then balance owing on the  
 purchase price and reduce periodic payments on the balance due Seller by the payments called for in such prior  
 encumbrance as such payments become due.

7. **OTHER ENCUMBRANCES AGAINST THE PROPERTY.** The property is subject to encumbrances  
 including the following listed tenancies, easements, restrictions and reservations in addition to the obligations  
 assumed by Buyer and the obligations being paid by Seller:

Rights of the public in and to that portion lying within roads; Reservation of all mineral  
 rights, including the terms and provisions thereof, as reserved in deed from the State of  
 Washington to John Schneider, et al, recorded December 14, 1933 in Book X, page 413,  
 Auditor's File No. 18984, Skamania County Deed Records; An easement for pipeline, including  
 the terms and provisions thereof in favor of Pacific Northwest Pipeline Corp. recorded in  
 Book 42, page 190, Skamania County Deed Records; Rights of others thereto entitled in and  
 to the continued uninterrupted flow of Sasquach Creek, and rights of upper and lower  
 riparian owners in and to the use of the waters and the natural flow thereof; and, Any  
 adverse claims based upon the assertion that Sasquach Creek has moved.

ANY ADDITIONAL NON-MONETARY ENCUMBRANCES ARE INCLUDED IN ADDENDUM.

8. **FULFILLMENT DEED.** Upon payment of all amounts due Seller, Seller agrees to deliver to Buyer a Statutory  
 Warranty Deed in fulfillment of this Contract. The covenants of warranty in said deed shall not apply to any  
 encumbrances assumed by Buyer or to defects in title arising subsequent to the date of this Contract by, through or  
 under persons other than the Seller herein. Any personal property included in the sale shall be included in the  
 fulfillment deed.

9. **LATE CHARGES.** If any payment on the purchase price is not made within ten (10) days after the date it is due,  
 Buyer agrees to pay a late charge equal to 5% of the amount of such payment. Such late payment charge shall be in  
 addition to all other remedies available to Seller and the first amounts received from Buyer after such late charges are  
 due shall be applied to the late charges.

10. **NO ADVERSE EFFECT ON PRIOR ENCUMBRANCES.** Seller warrants that entry into this Contract will  
 not cause in any prior encumbrance (a) a breach, (b) accelerated payments, or (c) an increased interest rate; unless (a),  
 (b) or (c) has been consented to by Buyer in writing.

11. **POSSESSION.** Buyer is entitled to possession of the property from and after the date of this Contract,  
 OF UPON THE RECORDATION OF THIS REAL ESTATE CONTRACT, 19 \_\_\_\_\_, whichever is later, subject to any tenancies described in  
 Paragraph 7.