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BOOK 777 PAGE 785

FILED FOR RECORD
SKAMANIA CO. WASH
BY Christopher Lantz

JUN 1 4 48 PM '98

GARY M. OLSON
AUDITOR

REAL ESTATE EXCISE TAX

Filed for Record at request of: 19558

CHRISTOPHER R. LANZ
Attorney at Law
PO Box 848
Stevenson, WA 98648JUN - 2 1998
PAID \$2112.00
W. S. OLSON, Auditor
SKAMANIA COUNTY TREASURER

Real Estate Contract

1. PARTIES AND DATE: This contract is entered into on the 1st day of June, 1998, between RAY ZIEGLER, a single person, hereinafter referred to as SELLER, and KEN W. PETERSON CO., INC., a Washington corporation, hereinafter referred to as PURCHASER.
2. SALE AND LEGAL DESCRIPTION: SELLER agrees to sell to PURCHASER and PURCHASER agrees to purchase from SELLER the following described real estate in Skamania County, Washington:

A tract of land situated in the B.B. Bishop D.L.C. No. 39 in Section 20, Township 2, North, Range 7 East of the Willamette Meridian, being more particularly described as follows:

Lot 1 of the B1-STATE REDI-MIX Short Plat, recorded in Book 1 of Short Plats, Pages 70 to 70E inclusive, as recorded under Auditor's File No. 83854, Records of Skamania County, Washington.

Tax Lot No. 02 07 21 0 0 0600 00

Gary H. Marks, Skamania County Assessor

Date 6-1-98 Parcel # 2-721-000

3. (a) PRICE: PURCHASER agrees to pay:

Total Purchase Price	\$165,000.00
Less Down Payment	\$ 6,500.00
Results in Amount financed by SELLER.	\$158,500.00

- (b) PAYMENT OF AMOUNT FINANCED BY SELLER: PURCHASER agrees to pay the sum of ONE HUNDRED FIFTY-EIGHT THOUSAND FIVE HUNDRED and 00/100 Dollars (\$158,500.00) as follows:

ONE THOUSAND FIVE HUNDRED and 00/100 Dollars (\$1,500.00), or more at PURCHASER's option, on or before the 1st day of July, 1998, and a like amount or more at PURCHASER's option each and every month thereafter on the same day until paid in full. The outstanding

balance of the purchase price shall at all times bear annual interest at the rate of EIGHT percent (8%) per annum from the 1st day of June, 1998. From each such payment so made shall first be deducted interest due to date and the balance thereof shall be applied in reduction of principal.

- (c) In addition to the monthly payments set forth above, PURCHASER agrees to make two (2) lump sum payments in the amount of TEN THOUSAND and 00/100 Dollars (\$10,000.00) to be applied in reduction of principal herein, the first payment becoming due on the 1st day of December, 1998, and the second payment becoming due on the 1st day of June, 1999.

All payments shall be made to SELLER at: P.O. Box 216, North Bonneville, WA 93639, unless he shall otherwise notify purchasers in writing.

4. OTHER ENCUMBRANCES AGAINST PROPERTY: The property is subject to encumbrances including the following listed tenancies, easements, restrictions and reservations:

NONE, except those as listed in Paragraph 2 hereof.

5. FULFILLMENT DEED: Upon payment of all amounts due SELLER, SELLER agrees to deliver to PURCHASER a Statutory Warranty Deed in fulfillment of this Contract. The covenants of warranty in said deed shall not apply to any encumbrances assumed by PURCHASER or to defects in title arising subsequent to the date of this Contract, by, through or under persons other than the SELLER herein.
6. POSSESSION: PURCHASER is entitled to possession of the property from and after the date of this Contract, or June 1, 1998, whichever is later, subject to any tenancies described in Paragraph 4.
7. TAXES, ASSESSMENTS AND UTILITY LIENS: PURCHASER agrees to pay by the date due all taxes and assessments becoming a lien against the property after the date of this Contract. PURCHASER may in good faith contest any such taxes or assessments so long as no forfeiture or sale of the property is threatened as the result of such contest. PURCHASER agrees to pay when due any utility charges which may become liens superior to the SELLER's interest under this Contract.
8. INSURANCE: PURCHASER agrees to keep all buildings now or hereafter erected on the property described herein continuously insured under fire and extended coverage policies in an amount not less than the balances owed on obligations assumed by the PURCHASER plus the balance due SELLER, or full insurable value, whichever is lower. All policies shall be held by the SELLER and be in such company as the SELLER may approve and have loss payable first to SELLER as their interests may appear and then to PURCHASER. PURCHASER may within thirty (30) days after loss negotiate a contract to substantially restore the premises to their condition before the loss. If the insurance proceeds are sufficient to

pay the contract price for restoration or if the PURCHASER deposits in escrow any deficiency with instructions to apply the funds on the restoration contract, the property shall be restored. Otherwise the amount collected under any insurance policy shall be applied upon any amounts due hereunder in such order as the SELLER shall determine. In the event of forfeiture, all rights of PURCHASER in insurance policies then in force shall pass to SELLER.

9. NONPAYMENT OF TAXES, INSURANCE AND UTILITIES CONSTITUTING LIENS: If PURCHASER fails to pay taxes or assessments, insurance premiums or utility charges constituting liens superior to SELLER's interest under this Contract, SELLER may pay such items and PURCHASER shall forthwith pay SELLER the amount thereof plus a late charge of 5% of the amount thereof plus any costs and attorney's fees incurred in connection with making such payment.
10. CONDITION OF PROPERTY: PURCHASER accepts the property in its present condition and acknowledges that SELLER, their agents and subagents have made no representation or warranty concerning the physical condition of the property or the uses to which it may be put other than as set forth herein. PURCHASER agrees to maintain the property in such condition as complies with all applicable laws.
11. RISK OF LOSS: PURCHASER shall bear the risk of loss for destruction or condemnation of the property. Any such loss shall not relieve PURCHASER from any of PURCHASER's obligations pursuant to this Contract.
12. WASTE: PURCHASER shall keep the property in good repair and shall not commit or suffer waste or willful damage to or destruction of the property.
13. CONDEMNATION: SELLER and PURCHASER may each appear as owners of an interest in the property in any action concerning condemnation of any part of the property. PURCHASER may within thirty (30) days after condemnation and removal of improvements, negotiate a contract to substantially restore the premises to their condition before the removal. If the condemnation proceeds are sufficient to pay the contract price for restoration or if the PURCHASER deposits in escrow any deficiency with instructions to apply the funds on the restoration contract, the property shall be restored. Otherwise, proceeds of the award shall be applied in payment of the balance due on the purchase price, as SELLER may direct.
14. DEFAULT: If PURCHASER fails to observe or perform any term, covenant or condition of this Contract, SELLER may:
 - (a) Suit for installments. Sue for any delinquent periodic payment; or
 - (b) Specific Performance. Sue for specific performance of any of PURCHASER's obligations pursuant to this Contract; or

- (c) Forfeit PURCHASER's Interest. Forfeit this Contract pursuant to Ch. 61.30, RCW, as it is presently enacted and may hereafter be amended. The effect of such forfeiture includes: (i) all right, title and interest in the property of the PURCHASER and all persons claiming through the PURCHASER shall be terminated; (ii) PURCHASER's rights under the Contract shall be canceled; (iii) all sums previously paid under the Contract shall belong to and be retained by the SELLER or other person to whom paid and entitled thereto; (iv) all improvements made shall belong to the SELLER; and (v) PURCHASER shall be required to surrender possession of the property and improvements to the SELLER ten (10) days after the forfeiture.
- (d) Acceleration of Balance Due. Give PURCHASER written notice demanding: (i) payment of said delinquencies; (ii) payment of a late charge of 5% of the amount of such delinquent payments; (iii) payment of SELLER's reasonable attorney's fees and costs incurred for services in preparing and sending such Notice; and (iv) stating that if payment pursuant to said Notice is neither deposited in the mail addressed to SELLER nor personally delivered to the SELLER within ten (10) days, then the entire balance owing, including interest if any, will become immediately due and payable. SELLER may thereupon institute suit for payment of such balance, interest and late charges, if any, and reasonable attorney's fees and costs.
15. RECEIVER: If SELLER has instituted any proceedings specified in Paragraph 14 and PURCHASER is receiving rental or other income from the property, PURCHASER agrees that the appointment of a receiver for the property is necessary to protect SELLER's interest.
16. PURCHASER'S REMEDY FOR SELLER'S DEFAULT: If SELLER fails to observe or perform any term, covenant or condition of this Contract, PURCHASER may, after thirty (30) days' written notice to SELLER, institute suit for damages or specific performance unless the breaches designated in said notice are cured.
17. NON-WAIVER: Failure of either party to insist upon strict performance of the other party's obligations hereunder shall not be construed as a waiver of strict performance thereafter of all of the other party's obligations hereunder and shall not prejudice any remedies as provided herein.
18. ATTORNEY'S FEES AND COSTS: In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorney's fees and costs, including costs of service of notices and title searches, incurred by the other party. The prevailing party in any suit instituted arising out of this Contract and in any forfeiture proceedings arising out of this Contract shall be entitled to receive reasonable attorney's fees and costs incurred in such suit or proceedings.

19. NOTICES: Notices shall be either personally served or shall be sent certified mail, return receipt requested by regular first class mail to PURCHASER at P.O. Box 159, Stevenson, Washington 98648, and to SELLER at P.O. Box 218, North Bonneville, Washington 98639 or such other addresses as either party may specify in writing to the other party. Notices shall be deemed given when served or mailed. Notice to SELLER shall also be sent to any institution receiving payments on the Contract.
20. TIME FOR PERFORMANCE: Time is of the essence in performance of any obligations pursuant to this Contract.
21. SUCCESSORS AND ASSIGNS: Subject to any restrictions against assignment, the provisions of this Contract shall be binding on the heirs, successors and assigns of the SELLER and PURCHASER.
22. DUE ON SALE: If PURCHASER, without written consent of SELLER: (a) conveys, (b) sells, (c) leases, (d) assigns, (e) contracts to convey, sell, lease or assign, (f) grants an option to buy the property, or (g) permits a purchaser's interest in the property or this Contract, SELLER may at any time thereafter either raise the interest rate on the balance of the purchase price or declare the entire purchase price due and payable. If one or more of the entities comprising the PURCHASER is a corporation, any transfer or successive transfers in the nature of items (a) through (g) above of 49% or more of the outstanding capital stock shall enable SELLER to take the above action. A lease of less than three (3) years (including options for renewals), a transfer to a spouse or child of PURCHASER, a transfer incident to a marriage dissolution or condemnation, or a transfer by inheritance will not enable SELLER to take any action pursuant to this Paragraph, provided the transferee other than a condemnor agrees in writing that the provisions of this Paragraph apply to any subsequent transaction involving the property entered into by the transferee.
23. ENTIRE AGREEMENT: This Contract constitutes the entire agreement of the parties and supersedes all prior agreements and understandings, written or oral. This Contract may be amended only in writing executed by SELLER and PURCHASER.

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IN WITNESS WHEREOF the parties have signed and sealed this Contract the day and year first above written.

SELLER:

Ray Ziegler
RAY ZIEGLER

PURCHASER:

KEN W. PETERSON CO., INC.

By:

Daryl L. Peterson
DARYL L. PETERSON,
President

By:

Dennis A. Peterson
DENNIS A. PETERSON,
Secretary Treasurer

STATE OF WASHINGTON)
County of Skamania) ss.

I certify that I know or have satisfactory evidence that RAY ZIEGLER signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

SUBSCRIBED AND SWORN before me this 1st day of June, 1998.

CHRISTOPHER LANZ
STATE OF WASHINGTON
NOTARY - PUBLIC
My Commission Expires April 20, 2002

Christopher N. Lanz
Notary Public for Washington
Residing at Sevenson, WA
My commission expires 4/20/02

STATE OF WASHINGTON)
County of Skamania) ss.

I certify that before me, the undersigned, a NOTARY PUBLIC in and for the State of Washington, duly commissioned and sworn, personally appeared DARYL L. PETERSON and DENNIS A. PETERSON, to me known to be the President and Secretary/Treasurer, respectively, of KEN W. PETERSON CO. INC., the Washington corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said instrument.

SUBSCRIBED AND SWORN to before me this 1st day of June, 1998.

CHRISTOPHER LANZ
STATE OF WASHINGTON
NOTARY - PUBLIC
My Commission Expires April 20, 2002

Christopher N. Lanz
Notary Public for Washington
Residing at Sevenson, WA
My appointment expires: 4/20/02