CONTRACT OF SALE
AND SECURITY AGREEMENT

THIS AGREEMENT, made and executed in duplicate original and entered into this 4th day of October, 1976, by and between DEAN EVANS and BETTY EVANS, husband and wife, hereinafter referred to as Sellers, and JOHN L. GARWOOD and PHYLLIS GARWOOD, husband and wife, and RAYMOND HAYS, a single man, hereinafter referred to as Buyers

WITNESSETH:

WHEREAS, the Sellers own and operate that certain business located at Second and Columbia in Stevenson, Skamania County, Washington, known as UNION 76 GARAGE, and the Sellers are desirous of selling said business, as hereafter defined, to the Buyers and the Buyers are desirous of purchasing said business from the Sellers, all on terms and conditions as hereinafter noted.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, the mutual promises and covenants hereby given by each party to the other, in further consideration of the mutual benefits to flow to the parties by reason of the execution of this agreement, and in further consideration of the purchase price, a portion of which, as hereinafter noted, has this day been paid, IT IS HEREBY AGREED AS FOLLOWS:

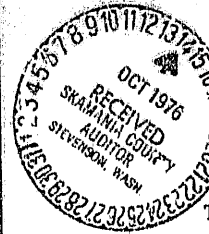
1. Subject Matter. The Sellers are selling to the Buyers and the Buyers are buying from the Sellers the following:
 - a. Business Name (Union 76 Garage).
 - b. Inventory as of this date.
 - c. Equipment and trade, as opposed to real estate, fixtures, which are described on Exhibit "A" hereto, which by this reference is now incorporated herein as if fully set forth.
2. Price. The sales price is \$35,000, which is due and payable as follows:

THOMAS ARTHUR GISH
ATTORNEY AT LAW
P.O. BOX 148
WHITE SALMON, WASHINGTON 98672
Telephone (509) 493-3210

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the Buyers make full payment of the purchase price the Sellers shall retain title to the entire subject matter and the Buyers shall execute

all documents which the Sellers may require to protect their



- a. Down Payment. \$10,000, receipt of which sum the Sellers hereby acknowledge.
 - b. Installments. The Buyers shall pay the remaining balance at the rate of \$250, or more at Purchasers option, per month, inclusive of interest on the declining principal balance at the rate of 7% per annum, provided, however, that no further payments may be made in the calendar year 1976.
 - c. Schedule for Payments. The installment payments required hereunder shall begin on January 5, 1977, and subsequent payments shall be due and payable on or before the 5th day of each succeeding month.
 - d. Method of Payment. All payments herein required shall be made directly to the Sellers at Box 376, Stevenson, Washington, or such other address as the Sellers may from time to time designate.
3. Payment of Existing Obligations. The Sellers shall assume and pay all of the creditors of the business hereby sold as of this date, and to such end the Sellers shall indemnify the Buyers against any and all obligations arising from existing debts and shall hold the Buyers harmless therefrom.
4. Accounts Receivable. It is specifically agreed that the Sellers accounts receivable are excluded from this transaction and that the Sellers retain ownership of all accounts receivable.
5. Passage of Title. The Sellers shall retain title to the subject matter until the entire purchase price, inclusive of interest, has been paid in full. Upon full payment of said purchase price by the Buyers the Sellers shall deliver to the Buyers a Bill of Sale transferring all of the aforesaid subject matter to the Buyers. Until

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as if they were made a party hereof.

10. Service of Notice. Service upon the Buyers of all demands,

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as if they were made a party hereof.

10. Service of Notice. Service upon the Buyers of all demands, notices or other papers with respect to forfeiture and termination of the Buyers rights may be made by United States mail, postage prepaid, return receipt requested or by certified mail, directed to the Buyers at their address last known to the Sellers.

11. Legal Expense. If the Sellers incur legal expense following the Buyers default herein the Buyers agreed to pay reasonable attorneys fees and all costs and expenses reasonably incurred by the Sellers in connection therewith. If the Sellers shall bring suit to procure an adjudication of the termination of the Buyers rights hereunder and judgment is so entered, the Buyers agree to pay a reasonable sum as attorneys fees and all costs and expenses in connection with such suit, and such sum shall be included in any judgment or decree entered in such suit.

12. Scrivener is Sellers Attorney. The Buyers are informed and hereby acknowledge that the law office of Thomas Arthur Gish, White Salmon, Washington, is the attorney for the Sellers and is not in any manner representing the interest of the Buyers nor giving legal advice to the Buyers in connection with this contract of sale.

IN WITNESS WHEREOF, we, the undersigned, have hereunto set our hands the day and year first above written.

John L. Garwood Dean Evans
JOHN L. GARWOOD DEAN EVANS

Phyllis E. Garwood Betty Evans
PHYLLIS GARWOOD BETTY EVANS

Raymond L. Hays
RAYMOND HAYS

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reference is now incorporated herein as if fully set forth.
2. Price. The sales price is \$35,000, which is due and payable as follow:

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the Buyers make full payment of the purchase price the Sellers shall retain title to the entire subject matter and the Buyers shall execute any and all documents which the Sellers may require to protect their interest in said subject matter, said documents to include, but not be limited to, financing statements such as are necessary to perfect the Sellers' security interest in the inventory and equipment.

6. Status of Business Premises. The Buyers specifically understand that the real estate on which the business is conducted is owned by a third party and that the Sellers make no representation as to the Buyers ability to procure and/or retain said premises.

7. Covenant Not To Compete. The Sellers agree not to compete with the Buyers by the operation of an automotive garage or service station in the Stevenson area for a period of ten years from the date of this agreement.

8. Default. Time is of the essence of this contract, and it is agreed that if the Buyers fail to make required payments promptly at the time and in the manner herein required, the Sellers may elect to declare all of the Buyers' rights hereunder terminated, and upon their doing so, all payments made by the Buyers hereunder shall be forfeited to the Sellers as liquidated damages and the Sellers shall have right to take possession of the subject matter and no waiver by the Sellers of any default on the part of the Buyers shall be construed as a waiver of any subsequent default, PROVIDED, HOWEVER, that Sellers shall not make such election without first notifying the Buyers in writing of their intention to do so, which notice must specify the default and give the Buyers a period of not less than 30 days to cure same.

9. Binding Effect. This contract shall be binding on the heirs, assigns, successors and personal representatives of the parties hereto.

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STATE OF WASHINGTON)
County of Klickitat) ^{ss}

On this day personally appeared before me DEAN EVANS and BETTY EVANS, 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.



IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 1ST day of OCT, 1976.

Thomas A. Gish
Notary Public for Washington
residing at White Salmon, therein.

STATE OF WASHINGTON)
County of Klickitat) ^{ss}

On this day personally appeared before me JOHN L. GARWOOD, PHYLLIS GARWOOD and RAYMOND HAYS, 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.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 7th day of OCT, 1976.



Thomas A. Gish
Notary Public for Washington
residing at White Salmon, therein.

THOMAS ARTHUR GISH
ATTORNEY-AT-LAW
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Item

Serial Number

Value

1 - Moss Creek, Wash. 11012040

1 - " " " " " "

1 - NATIONAL CAN. Sigsbee 77-5-1057-2 746279

1 - ^{natural} ~~adhesive~~ ^{metal} ~~rod~~ ^{rod} 77 Hm 413413

2 - metal 2 drawer filing cabinets

1 - 4 drawer metal

1 - Checkbook (yellow) 74-4-4029

1 Pacific Safe

Chilton Repair Manual 74-6-64 74-75

1 metal Post

X Dodge (1162) 1161294227

1 Pop m. p. 512311

1 Bench (1162) (1162) 74-7-1049

1 Collection Ber. 1162 DT-N

1 9 drawer metal cabinet

1 Black & Decker 1162 74-7-1049

1 armature grower (1162)

1 ground

1 Snap-on 1162 74-7-1049

1 TOYO Robin Tape Deck 74-7-1049

1 24 drawer metal cabinet

1 4 " " " " " "

1 Snap-on Armature 74-7-1049

1 Complete set Camshaft Bearing 74-7-1049

1 Set Headlight 74-7-1049

1 Barrel (1162) 74-7-1049

1 5 drawer metal cabinet 74-7-1049

1 1162 74-7-1049

- [illegible]

1 Binghamton, New York
 1 5ft x 10ft x 12ft
 1 1/2 x 1/2 x 1/2
 1 1/2 x 1/2 x 1/2

0250

75441

5917
 20739

4685

11295

7

11-
 11

CR80

10

72

9323

9917

Unofficial Copy