

REAL ESTATE CONTRACT

Date December 14, 19761. Seller, ROBERT W. HARMSSEN, husband of Sharon S. Harmsen,agrees to sell to Purchaser, WILLIAM H. SOUTHER and RUBY C. SOUTHER, husband & wife,and Purchaser agrees to buy from Seller, the following property in Skamania County, Washington:

That portion of Government Lot 13, Section 36, Township 3 North, Range 7-1/2 East of the W.M., lying Southerly of Primary State Highway 14 and Northerly of the Spokane, Portland & Seattle Railway right-of-way, EXCEPT that portion thereof lying Easterly of the following described line: Beginning at the intersection of the East line of said Section 36 with the centerline of said Highway 14; thence following the centerline of said Road in a Southwesterly direction 400 feet, more or less, to the center of an existing culvert at State Highway Engineer's Station 119+30 and beginning of said line description; thence Southerly following the center of said culvert and the center of the channel of an unnamed creek to intersect the Northerly right-of-way line of Spokane, Portland & Seattle Railway Company and the terminus of said line description

TOGETHER WITH the appurtenances and water rights thereunto belonging.

SUBJECT TO exceptions and reservations in former conveyances, and easements and rights of way over and across said premises for irrigation, drainage and public utility purposes.

RESERVING unto the Vendor, his heirs, executors and assigns, an easement 24 feet in width for the purpose of ingress and egress to Vendor's adjacent property on the East, the legal description of said easement being as follows: Parallel and adjacent to the State Highway, comprising the Northerly boundary of the premises hereinabove described, and extending westerly 220 feet, more or less, as measured from the East boundary of the above described premises.

1. PURCHASE PRICE — The purchase price is Thirty-Two Thousand Dollars

\$ 32,000

of which \$6000.00

has been paid, receipt being acknowledged. Purchaser agrees to pay the balance of the purchase price together with interest on deferred balances at the rate of 8 % per annum from December 15, 1976, as follows:

\$2650.00 on or before December 15, 1977;

\$2650.00 on or before December 15, 1978;

\$2650.00 on or before the 15th day of December of each and

every year thereafter until the balance of purchase price as hereinabove set forth shall have been paid in full. PROVIDED: That each

payment as made shall be first applied to accrued interest and the balance thereof credited upon principal. PROVIDED FURTHER, the

Purchasers herein shall have full pre-payment privileges, without

penalty, but the parties agree that the making of advance payments

by the Purchasers herein shall not relieve the Purchasers of the obligation

of making at least one payment per year as hereinabove indicated.

The parties agree that simultaneously and concurrently herewith, the Seller will execute a good and sufficient Warranty Deed to the premises above described, and will place the same for collection with the Columbia Gorge Bank, Stevenson Branch, Stevenson, Washington, for the delivery to the Purchasers herein concurrent with the final payment being made by the Purchasers of this contract.

Sharon S. Harmsen, wife of the Vendor herein, has no interest in the above described property and has executed this contract for title purposes only.

The parties further agree that the Purchasers are entering into this contract on the basis of their own inspection of the premises and improvements thereon, and that Purchasers specifically waive any compliance of the dwelling house with any applicable building codes and zoning regulations that may be applicable thereto.

3. POSSESSION — Purchaser shall be entitled to possession of the property on December 15, 1976.

4. PERSONAL PROPERTY — Title to personal property described above shall remain in seller until purchaser has fully performed this contract. Purchaser's rights to the property shall be subject to all applicable terms and conditions of this contract. Personal property shall be maintained in good condition and not disposed of by purchaser without written consent of seller, and, excepting vehicles or equipment the intended use of which requires temporary removal, shall be kept on the property herein sold.

5. ASSESSMENTS AND TAXES — Purchaser shall pay before delinquency all taxes, assessments, water rent, or water assessments, utility charges, and operation or construction charges not now delinquent, and all levied or assessed against the property and hereafter falling due, except that real estate taxes for the year 1976, and personal property taxes for the year _____ shall be prorated. In the event any taxes, assessments, rents or charges to be paid by purchaser are paid by seller, purchaser shall promptly reimburse seller. Upon failure of purchaser to pay any taxes, assessments, rents or charges to be paid by purchaser, seller may, at his option, declare a forfeiture of this contract or pay and discharge any such tax, assessment, rent or charge and any amount so paid shall be added to and be secured in the same manner as the unpaid purchase price, bear interest at the rate of 10% per annum, and be due immediately.

6. IMPROVEMENTS — All improvements now or hereafter made to or placed on the property shall become a part thereof and shall not be removed.

7. LIENS, CHARGES AND ENCUMBRANCES. — Purchaser shall pay, before delinquency of any debts secured thereby, all liens, charges or encumbrances hereafter lawfully imposed on the property, assumed by purchaser in this contract or subject to which this purchase and sale is made; and shall not allow any part of the property to become subject to liens, charges or encumbrances having priority over the rights of seller in the property. Notwithstanding anything to the contrary provided above in this paragraph seven, purchaser shall not be responsible for any liens or encumbrances (or payment of the obligations secured thereby) imposed upon said property subsequent to the date of this contract by or through seller unless such liens, encumbrances or obligations are expressly assumed by purchaser.

8. EXISTING MORTGAGE OR SECURED OBLIGATION — Unless it is otherwise provided herein, in the event that there is now a mortgage or other secured obligation upon the property seller shall save purchaser harmless with regard thereto and timely pay all installments falling due. In the event that seller fails to make any such payment when due, then purchaser may make payment and receive a credit for the amount thereof against payments next falling due under this contract.

9. CONDITION OF PREMISES, UPKEEP AND CROPS — Purchaser shall farm all farm and orchard land in a good husbandlike manner, according to the customary standards of such farming in the area in which the property is situated, without unnecessary interruptions or delays and shall furnish all labor, machinery, supplies, equipment and everything else necessary to such farming operations. Breach of this provision shall entitle seller, upon the giving of three (3) days written notice, to go upon the property and perform such services and acts as are necessary to comply with this provision. The necessary costs and expenses of these services and acts shall be considered an indebtedness immediately payable to seller, and which seller have the right to collect, or at seller's option shall be considered an obligation under the contract, shall be added to the principal of the contract, and shall bear interest at the contract rate from date that the indebtedness was incurred. The methods of giving notice as herein provided shall be as is set forth in Paragraph 17(1) of this contract, with the privilege of purchaser to correct any delinquencies during the three day period.

10. USE OF PREMISES — Purchaser shall not make nor allow any unlawful use of the property.

11. INSURANCE — Purchaser shall insure with companies satisfactory to seller the buildings now or hereafter placed on the property and any personal property conditionally sold in the sum of not less than its full insurable value. With loss if considered payable first to any mortgagee who is such at the time of the execution hereof, then to seller, then to purchaser, as their respective interests may appear. The money shall be held by seller or mortgagee.

In the event of destruction or of damage to any of said buildings or personal property and the collection of insurance during the life of this contract the money received on said insurance, may, at the option of the purchaser, be used in the restoration of said improvements; provided, that purchaser is not at the time in default under the provisions of this contract, and subject to the terms of any mortgage on the property, if purchaser fails to procure insurance, seller is authorized to do so, and the cost may be added to the balance of the purchase price, and shall bear interest at 10% per annum, and shall become due immediately, or seller may, at his option, forfeit this contract for the failure of purchaser to procure insurance.

12. CONDEMNATION — If the property or any part shall be taken and condemned, such taking shall not be a ground for rescission of this contract. The award made for the taking shall be deemed, to be the property of purchaser, but shall be paid to seller to apply upon the purchase price, not exceeding any amounts then unpaid to seller.

13. ASSIGNMENT OR TRANSFER — The purchaser shall not assign this contract, nor sell said property, nor permit any other person to have possession thereof without the written consent of the seller. The seller shall not unreasonably withhold such consent, and once given, such consent shall not waive the requirements of this paragraph as to any subsequent sale or change of possession of said property or assignment of this contract.

14. DESTRUCTION OF PREMISES — In the event of damage to or destruction of any buildings or improvements upon the property, such damage as between the parties shall be the loss of purchaser and shall not be a ground for rescission of this contract or statement of purchase price.

15. DEED — When purchaser has fully performed this contract, he shall execute and deliver to purchaser a statutory warranty deed conveying the property free and clear of all encumbrances except any encumbrances agreed to by the purchaser. Warranties of seller are limited to the date of this contract except for affirmative acts of seller thereafter.

16. TITLE — When this contract is executed, Seller shall obtain a standard purchaser's form policy of title insurance showing marketable title in seller as of the date of this contract, except as matters herein expressly agreed to by purchaser or herein expressly provided to be satisfied hereafter by seller, and assigning purchaser for the amount of the purchase price of the real property to be sold hereunder.

17. REMEDIES — Time is of the essence of this contract, and in the event that purchaser fails to make any payment or perform any covenant or condition under this contract, seller shall have the right, at his option, to:

(1) Serve notice of forfeiture by delivering said notice to purchaser or by mailing it by certified or registered mail to his last known address, to the address below given, or to the address of said property. The notice shall specify the matters wherein purchaser is in default. In the further event purchaser shall fail to cure the default in performance or make payment of any sums due or of seller's attorney fees or expenses incurred incident to any default and seller's expenses of serving the same, within 30 days from delivery of mailing of the notice, then without further notice to purchaser or declaration of forfeiture, it is fully and irrevocably surrendered possession of the property, together with all improvements (whether or not made by purchaser) and all growing crops shall be vested in seller without any right of purchaser to reclamation or compensation for money paid, improvements or growing crops; and all money previously paid under this contract shall be forfeited without process of law and shall be retained by and belong to seller as the reasonable rental for said property from this date to the date of forfeiture and as liquidated damages; or

(2) Declare all amounts unpaid under this contract due and institute suit to collect such amounts together with reasonable attorney fees; provided that if within thirty days after the commencement of the action purchaser performs all alleged breaches of covenant or conditions of this contract and has performed all covenants subsequent to the commencement of the action together with payment to seller of seller's actual attorney fees and taxable costs, this contract shall be reinstated.

In the event that purchaser abandons the property while in default, seller may take immediate possession of the property for the purpose of protecting and preserving the property and may mitigate damages by renting or operating this property during the period of enforcement of seller's rights under this contract, without prejudicing seller's remedies under this contract.

Any extension of time in payments or acceptance of part thereof, or failure of seller to enforce promptly any other breach of this contract by purchaser shall not be construed as a waiver on the part of seller of the strict performance of all of the covenants and conditions herein, and shall not prejudice any of seller's remedies.

18. UPKEEP -- Purchaser shall maintain the property and all improvements now or later placed on the property in a good state of repair; shall not make any material alterations without the prior written consent of seller, and shall not commit, nor allow to be committed, any waste on the property. Purchaser accepts the property in its present condition.

19. ATTORNEY'S FEES AND VENUE -- In the event of any lawsuit between the parties to this contract in which issues arising hereunder, the prevailing party shall recover judgment against the other party for a reasonable attorney's fee. At seller's option, venue shall be in the County of ~~Yakima~~ Skamania.

20. BINDING EFFECT -- This agreement shall be binding upon and shall inure to the benefit of the legal representatives and proper assigns and successors of the parties.

21. Personal property covered by deed above includes kitchen dryer, stove and refrigerator. Rest

No. 43548
TRANSACTION EXCISE TAX
DEC 15 1976
Amount Paid \$100.00
Shelburne County Treasurer
By *[Signature]* County Clerk

[Signature]
PURCHASER
919 South 4th Street, Sunnyside, Wash.
Address of Purchaser

STATE OF WASHINGTON
County of SKAMANIA

On this day personally appeared before me ROBERT W. HARMSEN
to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that *[Signature]* signed the same as his true and lawful act and deed for the uses and purposes therein contained.

Given under my hand and official seal this *15* day of December 1976
[Signature]
Notary Public for the State of Washington
residing at *[Address]*

STATE OF WASHINGTON
County of *[Blank]*

On this day personally appeared before me *[Signature]*
and *[Signature]*
to me known to be the *[Blank]* and *[Blank]* respectively
of the corporation that executed the within instrument and acknowledged the 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 same.

Given under my hand and official seal this *15* day of *December* 1976
Notary Public for the State of *[Blank]*
residing at *[Blank]*

SELLER'S CONSENT TO ASSIGNMENT OF SALE

Seller consents to the assignment of this contract or the sale of the property described herein to *[Blank]*

Dated this *15* day of *December* 1976