903-1

REAL ESTATE CONTRACT

BOOK 77 PAGE 832

THIS CONTRACT, made and entered into this 1st day of January, 1980

between SAMUEL H. SHARP and MARY VIRGINIA SHARP, husband and wife,

hereinafter called the "seller," and

BROUGHTON LUMBER COMPANY, a Washington Corporation,

hereinafter called the "purchaser."

WITNESSETH: That the seller agrees to sell to the purchaser and the purchaser agrees to purchase from the seller the following described real estate, with the appurtenances, in SKAMANIA County, State of Washington:

Lots Two and Four (2 & 4) Block Three(3) Manzanola Orchard Tracts which are the Northwest Quarter of the Northeast Quarter of the Northeast Quarter (NW¼ NE¼ NE¼) and Southeast Quarter of the Northeast Quarter of the Northeast Quarter (SE¼ NE¼ NE¼) in Section 10, Township 3 North, Range 9 East, W.M.

The terms and conditions of this contract are as follows: The purchase price is Seventy Thousand, Five Hundred and Twenty and no/100ths ($ 70,520) Dollars, of which Twenty-one Thousand and no/100ths ($ 21,000) Dollars have been paid, the receipt whereof is hereby acknowledged, and the balance of said purchase price shall be paid as follows:

9 1/2 %

	PAYMENT	INTEREST	PRINCIPAL	PRINCIPAL BALANCE
1/1980	21,000	(Down Payment)	21,000	49,520
1/1981	6,000	4,704	1,296	48,224
1/1982	6,000	4,581	1,419	46,805
1/1983	6,000	4,446	1,554	45,251
1/1984	6,000	4,299	1,701	43,550
1/1985	6,000	4,137	1,863	41,687
1/1986	6,000	3,960	2,040	39,647
1/1987	6,000	3,766	2,234	37,413
1/1988	6,000	3,554	2,446	34,967
1/1989	6,000	3,322	2,678	32,289
1/1990	6,000	3,067	2,933	29,356
	$ 81,000	$ 39,836	$ 41,164	

BALANCE OF PRINCIPAL DUE 1/1990 $ 29,356

The purchaser will manage the forest of said real property in accordance with present logging practices.

All payments to be made hereunder shall be made at or at such other place as the seller may direct in writing.

As referred to in this contract, "date of closing" shall be January 1, 1980.

(1) The purchaser assumes and agrees to pay before delinquency all taxes and assessments that may as between grantor and grantee hereafter become a lien on said real estate, and if by the terms of this contract the purchaser has assumed payment of any mortgage, deed of trust, 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.

(2) 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 in a company acceptable to the seller and for the seller's benefit, as his interest may appear, and to pay all premiums therefor and to deliver all policies and renewals thereof to the seller.

(3) 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.

(4) 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. 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 herein unless the seller elects to allow the purchaser to apply all or a portion of such condemnation award to the rebuilding or restoration of any improvements damaged by such taking. In case of damage or destruction from a peril insured against, the proceeds of such insurance remaining after payment of the reasonable expense of procuring the same shall be devoted to the restoration or rebuilding of such improvements within a reasonable time, unless purchaser elects that said proceeds shall be paid to the seller for application on the purchase price herein.

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[illegible] seller's title to said real estate is subject to an existing contract or [illegible] real estate, or any mortgage, deed of trust or other encumbrance which purchaser shall assume, [illegible] acceptance with the terms thereof, and upon default, the purchaser shall have [illegible] move the default; and any payments so made shall be applied to said payment or payments [illegible]

(7) The seller agrees, upon receiving full payment of the purchase price and interest in the manner above specified, to execute and deliver to purchaser a statutory warranty [illegible] part thereof hereafter taken for public use, free of encumbrances except any that may attach after date of closing through person other than the seller, and subject to the following:

(8) 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 to keep the buildings and other improvements on said real estate in good repair and not to permit waste 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.

(9) In case the purchaser fails to make any payment herein provided or to maintain insurance, or to pay taxes, 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 10% per annum thereon from 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.

(10) Time is of the essence of this contract, and it is agreed that in case the purchaser shall fail to comply with or perform any condition or agreement hereof or to make any payment required hereunder promptly at the time and in the manner herein required, the seller may elect to declare all the purchaser's rights hereunder terminated, and upon this declaration all payments made by the purchaser hereunder and all improvements placed upon the real estate shall be forfeited to the seller as liquidated damages, and the seller shall have right to re-enter and take possession of the real estate; and no waiver of any subsequent default.

Service upon purchaser of all demands, notices or other papers with respect to forfeiture and termination of purchaser's rights may be made by United States Mail, postage prepaid, return receipt requested, directed to the purchaser at his address last known to the seller.

In the event seller's election to bring suit to enforce any covenant of this contract, including suit to collect any payment required hereunder, the purchaser agrees to pay a reasonable sum as attorney's fees and all costs and expenses in connection with such suit, which sums shall be included in any judgment or decree entered in such suit.

If the seller shall bring suit to procure an adjudication of the termination of the purchaser's rights hereunder, and judgment is so entered, the purchaser agrees to pay a reasonable sum as attorney's fees and all costs and expenses in connection with such suit, and also the reasonable cost of searching records to determine the condition of title as to date such suit is commenced, which sums shall be included in any judgment or decree entered in such suit.

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

Samuel H. Sharp (SEAL)

Mary Virginia Sharp (SEAL)

BROUGHTON LUMBER COMPANY (SEAL)

BY [illegible] Pres. (SEAL)

STATE OF WASHINGTON, }
County of } ss.

On this day personally appeared before me Samuel H. Sharp and Mary Virginia Sharp to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that signed the same as free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this day of

Notary Public in and for the State of Washington residing at

WHEN RECORDED, RETURN TO

THIS SPACE RESERVED FOR RECORDER'S USE

SAFECO TITLE INSURANCE COMPANY

No. 7380

TRANSACTION EXCISE TAX

FEB 25 1960

Amount Paid $ 2.00 B.D.

Skagit County Treasurer

By [illegible] Deputy

Filed for Record at Request of

NAME Broughton Lbr. Co.

ADDRESS [illegible]

CITY AND STATE

STATE OF WASHINGTON }
COUNTY OF SKAGIT } ss.

I HEREBY CERTIFY THAT THE WITHIN INSTRUMENT OF WRITING WAS FILED IN MY OFFICE AND RECORDED IN VOLUME [illegible] OF [illegible] PAGE [illegible] RECORDS OF SAID COUNTY. WITNESS MY HAND AND SEAL OF SAID COUNTY AFFIXED THIS [illegible] DAY OF [illegible] A.D. 19[illegible]

[illegible] COUNTY AUDITOR

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