REAL ESTATE CONTRACT

THIS CONTRACT, made and entered into this 4th day of December, 1981, between MICHAEL L. FARMER and DEBORAH D. FARMER, husband and wife, hereinafter called the "sellers," and FRANK NOLD and DORA F. NOLD, husband and wife, hereinafter called the "purchasers,"

WITNESSETH: That the sellers agree to sell to the purchasers and the purchasers agree to purchase from the sellers the following described real estate, with the appurtenances, in Skamania County, State of Washington:

> A portion of Tract No. 8 of Columbia River Estates, as more particularly shown on a survey thereof, recorded at page 364 of Book "J" of miscellaneous records, under Auditor's File No. 75656, Records of Skamania County, Washington, being designated as parcel 8-H and more particularly described as follows:
>
> A tract of land located in the Southwest Quarter of the Northwest Quarter of Section 23, Township 2 North, Range 6 East of the W.M., which is bounded on the East by Road "C" as shown on said survey; bounded on the North and West by Road "B" as shown on said survey; and bounded on the South by the South line of the Southwest Quarter of the Northwest Quarter of said Section 23.
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> EXCEPT that portion conveyed to Skamania County by Quit Claim Deed dated December 13, 1979 and recorded December 14, 1979 at page 693 of Book 77 of Deeds, under Auditor's File No. 90076, Records of Skamania County, Washington.

The purchase price is Twenty-three Thousand Dollars ($23,000.00), of which Two Thousand Five Hundred Dollars ($2,500.00) has been paid, the receipt whereof is hereby acknowledged, and the balance of said purchase price shall be paid as follows:

(a) Purchasers agree to pay the sum of Two Thousand Five Hundred Dollars ($2,500.00) to sellers within twenty-five (25) months of the closing date according to the terms of that certain promissory note executed by purchasers, a copy of which is attached hereto as Exhibit "A".

(b) Commencing January 10, 1982 and for 119 months thereafter, on or before the 10th day of each and every month, purchasers shall make payments of $198.20, or more at purchasers' option.

(c) Purchasers agree to pay interest on the diminishing balance of the purchase price at the rate of twelve per cent (12%) per annum from December 10, 1981, which interest shall be deducted from each installment payment and the balance of each payment applied in reduction of principal.

(d) Purchasers agree that the entire purchase price, together with interest as specified herein, shall be paid in full within ten (10) years from date of closing, and that the amount of the final payment shall be the total of the principal and interest remaining unpaid.

All payments to be made hereunder shall be made at 64695 Redmond Bend Highway, Bend, OR 97701, or at such other place as the sellers may direct in writing.

As referred to in this contract, "date of closing" shall be December 10, 1981.

(1) The purchasers assume and agree to pay before delinquency all taxes and assessments that may as between grantor and grantee hereafter become a lien on said real estate.

(2) Purchasers will keep any improvements or future improvements located on the property and the contents thereof insured against loss or damage by fire, windstorm, and all other casualties covered by "all risk" or extended coverage endorsements available in the State of Washington in an amount equal to the full insurable value thereof, on the initial and renewal policy dates, with a company acceptable to the sellers and with loss payable first to sellers as their interest may appear, and to pay all premiums for such insurance and deliver all policies and renewals thereof to the sellers. All such policies shall provide that they can not be amended or cancelled without ten (10) days' written notice to sellers.

(3) Purchasers are acquiring the property "as is" and sellers make no representations or warranties except as to title as set forth herein. Without limiting the generality of the foregoing, purchasers acknowledge that they have made their own independent investigation respecting the property and will be relying entirely thereon and on the advice of any consultant they may retain. Purchasers may not rely upon any representation of any party whether or not such party purports to act on behalf of sellers, unless the representation is expressly set forth therein or in a subsequent document executed by sellers. All represenations, warranties, understandings, and agreements between purchasers and sellers are merged herein and shall not survive closing.

(4) The purchasers assume 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 agree 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 sellers and applied as payment on the purchase price herein unless the sellers elect to allow the purchasers 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 purchasers elect that said proceeds shall be paid to the sellers for application on the purchase price herein.

(5) Purchasers will at all times keep and maintain the property and all improvements now or hereafter located on the property in as good a state or repair as they are upon the date of this contract or date of installation as to future improvements, reasonable wear

and depreciation accepted. Purchasers shall replace or repair worn out or obsolete portions of the improvements as necessary to keep the improvements as a whole in good operating condition. All maintenance, repair and replacement shall be at the purchasers' sole cost and expense and neither the sellers nor the property shall be liable therefor, nor subject to attachment nor lien as a result thereof. This covenant is not to be construed to indicate that sellers have any participation in the maintenance of such improvements or the making of repairs or replacements.

(6) No building or other improvement on the property shall be structurally altered, removed or demolished, without sellers' prior written consent, nor shall any fixture or chattel covered by this contract be removed at any time without like consent unless actually replaced by an article of equal suitability, owned by the purchasers, free and clear of any lien or security interest except such as may be approved in writing by sellers.

(7) The sellers agree to deliver within thirty (30) days of the date the entire purchase price together with interest as specified herein has been paid a purchasers' policy of title insurance in standard form, or a commitment therefore, issued by a title insurance company acceptable to both sellers and purchasers, insuring the purchasers to the full amount of said purchase price against loss or damage by reason of defect in sellers' title to said real estate as of the date of closing and containing no exceptions other than the following:

(a) Printed general exceptions appearing in said policy form;

(b) Easements of record; none of which for the purpose of this paragraph (7) shall be deemed defects in sellers' title.

Nothwithstanding the preceding paragraph, however, the parties agree that sellers shall have a period of five (5) years from date of closing to provide clear title as against the right, title and interest of those parties named on Exhibit "B", attached hereto.

(8) If sellers' title to said real estate is subject to an existing contract or contracts under which sellers are purchasing said real estate, or any mortgage or other obligation which sellers are to pay, sellers agree to make such payments in accordance with the terms thereof, and upon default, the purchasers shall have the right to make any payments necessary to remove the default, and any payments so made shall be applied to the payments next falling due the sellers under this contract.

(9) The sellers agree, upon receiving full payment of the purchase price and interest in the manner above specified, to execute and deliver to purchasers a statutory warranty fulfillment deed to said real estate, excepting any part thereof hereafter taken for public use, free of encumbrances except any that may attach after date of closing through any person other than the sellers, and subject only to easements of record.

(10) The rights hereby granted are personal to the purchasers and sellers' reliance upon purchasers' ability and integrity is a

part of the consideration for this contract. Neither this contract nor any interest therein, nor the possession of the property, may be assigned or transferred by purchasers, nor shall purchasers make or enter into any contract for the sale of the property or any interest therein, without the prior written consent of sellers.

(11) Any attempt at assignment and transfer by purchasers in violation of the foregoing provisions may, at sellers' option, be deemed a default by purchasers and sellers may declare the remaining contract balance, accrued interest and any other sums owing by purchasers to sellers hereunder immediately due and payable.

(12) The purchasers shall be entitled to possession of said real estate on date of closing and to retain possession so long as purchasers are not in default hereunder. The purchasers covenant not to permit waste on said premises and not to use, or permit the use of, the real estate for any illegal purpose. The purchasers covenant 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 purchasers are entitled to possession.

(13) Time and the covenants of purchasers set forth herein are of the essence of this agreement. If purchasers fail to make any payment precisely when due or breach any term or provision of this contract, sellers may, at their option, exercise any of the following alternative remedies upon giving purchasers thirty (30) days' written notice specifying the default and the remedy to be exercised should purchasers fail to secure all defaults at the expiration of the 30-day period.

(a) Suit for Delinquencies. Sellers may institute suit for any installments or other sums then due and payable under this agreement together with any sums advanced by sellers for and the amount of any delinquencies for items such as water assessments, taxes, insurance, payments and underlying obligations and lienable items, together with interest thereon at the rate of 12% per annum from the date each such payment was advanced or due, as the case may be.

(b) Acceleration. Sellers may declare the entire unpaid balance of the purchase price to be immediately due and payable and institute suit to collect such amounts, together with any sums advanced by the sellers for and the amount of any delinquencies for items such as water assessments, taxes, insurance, payments on underlying obligations, lienable items and other expenses incurred to protect sellers' interest in the property, together with interest thereon at the rate of 12% per annum from the date of each such advance. Payment by purchasers of any judgment obtained by sellers pursuant to this paragraph shall be a condition precedent to the delivery of a deed to said property by sellers or by the escrow agent, if any.

(c) Forfeiture. Sellers may elect to declare a forfeiture of and cancellation of this contract and upon such election being made, all rights of purchasers hereunder shall cease and terminate and sellers shall be entitled to take possession of the property, and all payments made by purchasers hereunder shall be retained by sellers in liquidation of all damages sustained by said default. In addition, should sellers commence a quiet title action in connection with such forfeiture or defend any claim in opposition to such forfeiture, sellers shall be entitled to recover from purchasers all further costs and attorneys' fees incurred therein and in any appeal. At the end of said 30-day period, sellers may enter into the property and take possession thereof and purchasers shall immediately surrender possession. If a forfeiture is declared, all payments which, but for the forfeiture, would have become due during the specified 30-day period and all costs and expenses including, but not limited to costs of title search and a reasonable attorney's fee, incurred by sellers in connection with the default must be paid in addition to the sums set forth in the notice of forfeiture as a condition to reinstatement of the contract. Should purchasers pay sellers an amount less than all sums r quired to reinstate the contract, sellers' acceptance of such sums shall not be deemed a waiver of any defaults or a reinstatement of the contract, and any such sums shall be retained by sellers as liquidated damages should purchasers remain in default in any respect on the expiration of the 30-day period.

(d) Specific Performance. Sellers may institute suit to specifically enforce any of the purchasers' covenants hereunder.

The failure of sellers to elect to pursue any of the above remedies at any time upon a breach of any of the terms of this contract by the purchasers shall be deemed only an indulgence by the sellers with regard to that particular breach and shall not be construed, in any manner whatsoever, to be a waiver of any right of sellers to pursue any of the above remedies for the same or a different breach at a subsequent time; election of the sellers to utilize any particular remedy to enforce a breach of this contract shall not preclude sellers from electing to use an alternate remedy to enforce a subsequent breach. Any delay or failure of sellers to take action upon default shall not be construed as a waiver of said default. If sellers are required to institute legal action to enforce any of the remedies indicated, purchasers agree to pay sellers' costs and reasonable attorneys' fees incurred in such proceeding and any appeal thereof.

(14) Any notice, declaration, demand or communication to be givey by any party to this contract to any other party shall be in writing and transmitted to the other party by either personally delivering the notice or by certified or registered mail, return receipt requested, addressed as follows:

To Purchasers:	Frank and Dora F. Nold M.P. 0.03L Pacific Road Stevenson, WA 98648
To Sellers:	Michael L. and Deborah D. Farmer 64695 Redmond Ben Highway Bend, OR 97701

Any party may change their address by giving written notice to the other party in the manner provided above, provided that in no event shall sellers be required to send any notice to more than two (2) addressees. The mailing and registering or certifying of any such notice as herein provided shall be sufficient service thereof. Service shall be complete when such notice is registered or certified and placed in the United States mail as shown by the cancellation stamp or postage meter stamp, as the case may be.

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

Michael L. Farmer

MICHAEL L. FARMER

Deborah D. Farmer
DEBORAH D. FARMER

Frank Nold
FRANK NOLD

Dora F. Nold
DORA F. NOLD

STATE OF OREGON)
) ss.
County of Deschutes)

On this day personally appeared before me MICHAEL L. FARMER and DEBORAH D. FARMER, husband and wife, 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.

GIVEN under my hand and official seal this 4th day of December, 1981.

Pamela J. Dibson
Notary Public in and for the State of Oregon, residing at 20513 Whitstone.
Bend, OR 97702

No. ....

TRANSACTION EXCISE TAX
JAN 14 '82
Amount Paid $186.00 plus $1.86 penalty + interest 44.00
Skamania County Treasurer
By Wilma J. Cornwall Deputy

STATE OF WASHINGTON) SS
... CERTIFY THAT THE WITHIN
... FILED BY
[illegible]
[illegible]
[illegible]
Deeds 779
G. M. Olson
A. Neu DEPUTY

Registered
Indexed
X

EXHIBIT "A" 80 780

PROMISSORY NOTE

$2,500.00 Stevenson, Washington
December 17, 1981

FOR VALUE RECEIVED, We promise to pay to the order of MICHAEL L. FARMER and DEBORAH D. FARMER, husband and wife, the sum of Two Thousand Five Hundred Dollars ($2,500.00) in lawful money of the United States of America, with interest thereon in like Lawful Money at the rate of Twelve Per Cent (12%) per annum from date until paid, payable in monthly installments of not less than $117.69 in any one payment, including interest. The first payment to be made on the 10th day of January, 1982, and a like payment on the 10th day of each month thereafter for a total of 24 payments. If any of said installments are not so paid, the whole sum of both principal and interest to become immediately due and collectible at the option of the holder hereof.

In case suit or action is commenced to collect this note or any portion thereof, we promise to pay, in addition to the costs provided by statute, such sum as the court may adjudge reasonable as attorney's fees therein, and any judgment entered hereon shall bear interest at Twelve Per Cent (12%) per annum.

This note is made, executed under and is to be construed by the laws of the State of Washington.

/s/ Frank Nold
FRANK NOLD

/s/ Dora F. Nold
DORA F. NOLD

M.L.F.

EXHIBIT "B"

ARTHUR WIEBE AND EVELYN WIEBE, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 4/230THS INTEREST;

PETER J. FUNK AND MARTHA D. FUNK, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 4/230THS INTEREST.

CHESTER JOST AND CLELLA M. JOST, HUSBAND AND WIFE, AS COMMUNITY PROPERTY;

MARTIN E. STEINERT AND ADALA N. STEINERT, HUSBAND AND WIFE, AS COMMUNITY PROPERTY, DOING BUSINESS AS CHES-MAR CO., AS TO AN UNDIVIDED 18/230THS INTEREST;

JONATHAN KNAUPP, AS TO AN UNDIVIDED 12.5/230THS INTEREST;

LEE QUIRING AND SUSAN QUIRING, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 18.75/230THS INTEREST;

PACIFIC COLLEGE OF FRESNO, INC., A CALIFORNIA CORPORATION, AS TO AN UNDIVIDED 74.75/230THS INTEREST;

A.W. JANZEN AND LAVINA JUNE JANZEN, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 4/230THS INTEREST;

ROGER FRANZ AND LAWANDA M. FRANZ, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 4/230THS INTEREST;

RICHARD FERNANDES AND BRENDA FERNANDES, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 4/230TH INTEREST;

HANS KASDORF AND FRIEDA KASDORF, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1.5/230THS INTEREST.

HERMAN B. KLASSEN AND LULU MAE KLASSEN, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 3/230THS INTEREST.

IVAN MAURER AND MARJORIE MAURER, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 2/230THS INTEREST;

C. WENDELL BAYLESS AND RUBY BAYLESS, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 3/230THS INTEREST;

JONIE PETERS AND SARAH PETERS, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 4/230THS INTEREST;

WILLARD R. EPPERT AND LEONA EPPERT, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 3/230THS INTEREST;

VICTORIA THOMAS, A WIDOW, AS TO AN UNDIVIDED 1/230THS INTEREST;

IRVIN GEORGE NEUFELD AND FRIEDA LOUISE NEUFELD, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/230THS INTEREST;

GARY NACHTIGAL AND ARLENE NACHTIGAL, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/230THS INTEREST;

GEORGE HILDEBRANDT, A WIDOWER, AS TO AN UNDIVIDED 1/230TH INTEREST;

F. GLEN GRAUMAN, A MARRIED MAN, AS TO AN UNDIVIDED 5/230THS INTEREST;

WILBERT REIMER AND LUETTA REIMER, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 6/230THS INTEREST;

RAY SCHLICHTING, A MARRIED MAN, AS TO AN UNDIVIDED 4/230THS INTEREST;

HENRY R. FRIESEN AND LOUISE FRIESEN, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 2/230THS INTEREST;

JACK D. ZIMMERMAN AND RENATTA ZIMMERMAN, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 5/230THS INTEREST;

PETE K. TOEWS AND IRMA TOEWS, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/230THS INTEREST;

-CONTINUED-

JOHN J. KLEINSASSER AND KATHRYN KLEINSASSER, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 6/230THS INTEREST;
NOAH W. GOLBEK AND TINA GOLBEK, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 3/230THS INTEREST;
SAM BUXMAN AND MARTHA BUXMAN, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/230THS INTEREST;
JOHN E. PANKRATZ AND CORNELIA PANKRATZ, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 2/230THS INTEREST;
STANLEY D. WILSON AND NANCY E. WILSON, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 3/230THS INTEREST;
JAMES HEINRICHS AND JOAN HEINRICHS, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/230THS INTEREST;
ARNOLD NICKEL AND EVA NICKEL, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 7/230THS INTEREST;
DALTON REIMER AND BEVERLY REIMER, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/230THS INTEREST;
DONALD JOST AND WANITA JOST, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 5/230THS INTEREST;
JOHN SLIVKOFF AND MARGARET SLIVKOFF, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVDED 3/230THS INTEREST;
KENNETH W. SCHROLL, JR. AND JOANNE M. SCHROLL, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/230THS INTEREST;
DAVE BERGEN AND LYDIA BERGEN, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 2/230THS INTEREST;
FRANKLIN J. JANZEN AND JUDITH R. JANZEN, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 2/230THS INTEREST;
JACK BOLDT, JR. AND VI BOLDT, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/230THS INTEREST;
LOUIE DE LA PAZ AND SILVIANO DE LA PAZ, FATHER AND SON, AS JOINT TENANTS, AS TO AN UNDIVIDED 2/230THS INTEREST;
PETE A. ENNS AND SOPHIE ENNS, HUSBAND AND WIFE, AND EUGENE ENNS AND PHYLLIS ENNS, HUSBAND AND WIFE, ALL AS JOINT TENANTS, AS TO AN UNDIVIDED 2/230THS INTEREST;
NICK ENNS AND ROSEMARY ENNS, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/230THS INTEREST;
MILTON JANZEN, A SINGLE MAN, AS TO AN UNDIVIDED 2.5/230THS INTEREST;
ALL DOING BUSINESS AS COLUMBIA RIVER ESTATES.

AND ANY KNOWN OR UNKNOWN HEIRS & DEVISEES OF THE ABOVE LISTED PARTIES, IF ANY, WHO MAY NOW BE DECEASED.