

REAL ESTATE CONTRACT

THIS CONTRACT, made and entered into this 10th day of Aug., 1981, between LAWRENCE S. LYONS and ANNETTE K. LYONS, husband and wife, hereinafter called the "sellers," and KENNETH L. LARSON and MARLA J. LARSON, 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:

Commencing at a point 287.5 feet West and 1264.21 feet North of the quarter corner on the South line of Section 36, Township 3 North, Range 7 East of the Willamette Meridian, said point marking the intersection of the centerlines of Chesser Road and Rock Creek Springs Road; thence North 60° 31' West following the center of the said Rock Creek Springs Road 75.3 feet; thence South 11° 59' West 146.3 feet; thence South 78° 01' East 67.3 feet; thence North 16° 15' East 122.9 feet to the intersection with the center of the said Rock Creek Springs Road; thence North 60° 31' West 5 feet to the point of beginning; less public road right of way;

ALSO that portion of Lot 20 of Meaghers Addition to Stevenson according to the re-plat thereof on file and of record at Book A Page 120, Skamania County, Plat Records, described as follows:

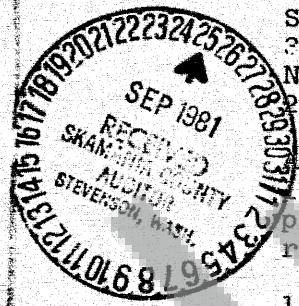
Beginning at the Northwest corner of said Lot 20; thence South 16° 59' West 71.47 feet; thence South 0° 19' West 35.80 feet; thence South 89° 41' East 18.08 feet; thence North 14° 34' East 109.94 feet; thence South 85° West 34.74 feet to the point of beginning.

ALSO all that portion of the proposed vacation of the lane adjacent to Lots 20 and 21 as contained on the re-plat of Meaghers Addition to Stevenson on file and of record at Book A Page 120, Skamania County Plat Records.

1. The purchase price is Forty Three Thousand Five Hundred Dollars (\$43,500.00), of which Seven Thousand Dollars (\$7,000.00) 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 assume and pay the balance remaining due on the purchase price of the property, which balance is the approximate sum of \$32,897.72, as provided in that certain contract of sale for real property entered into on the 22nd day of January, 1979 by Nelson L. Meaghers and Ruth M. Meaghers, husband and wife, as Sellers and Lawrence S. Lyons and Annette K. Lyons, husband and wife, as Purchasers and recorded in Book 74 of Deeds, Page 80 official records of the County of Skamania, State of Washington, as Auditors document No. 87975; and to perform all other obligations of the sellers herein under said contract of sale and indemnify sellers herein against all claims of the seller thereunder.

(b) Purchasers agree to pay the sum of \$3,602.28 at the rate of 12% per annum from date of closing until paid in monthly



Transaction in compliance with County subdivision ordinances.
Skamania County Assessor - By: JLP

ROLL 091981E
MARRIAGE APPLICATIONS
DAILY RECORDINGS
BOARD OF COUNTY COMMISSIONERS

installments of not less than \$119.59 in any one payment, including interest. The first payment shall be made on the 1st day of Sept., 1981 and a like payment on the 1st day of each month thereafter until the entire amount, both principal and interest, has been paid in full; provided, however, that the entire amount, both principal and interest, shall be paid in full no later than 36 months from the date of closing.

2. All payments to be made hereunder shall be made at P.O. Box 742, Republic, WA 99166, or at such other place as the sellers may direct in writing.

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

4. Sellers shall deliver possession of said premises to purchasers on or before August 10, 1981.

5. 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; and if by the terms of this contract the purchasers have assumed payment of or agreed to purchase subject to, any taxes or assessments now a lien on said real estate, the purchasers agree to pay the same before delinquency.

6. All irrigation, plumbing, ventilating, cooling and heating fixtures, water heaters, attached electric light and bathroom fixtures, light bulbs, fluorescent lamps, venetian blinds, awnings, drapes, wall to wall carpeting, curtain rods, window and door screens, storm doors and windows, attached linoleum, attached television antenna, all plants, shrubs and trees and all fixtures not excepted herein are to be left upon the premises as part of the property purchased.

7. 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 agree to pay all premiums for such insurance and deliver all policies and renewals thereof to the sellers. All such policies shall provide that they cannot be amended or cancelled without ten (10) days' written notice being given to sellers.

8. 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 herein or in a subsequent document executed by sellers. All representations, warranties, understandings, and agreements between purchasers and sellers are merged herein and shall not survive closing.

9. 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

ROLL 091981E
MARRIAGE APPLICATIONS
DAILY RECORDINGS
BOARD OF COUNTY COMMISSIONERS

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.

10. 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 of repair as they are upon the date of this contract or date of installation as to future improvements, reasonable wear and depreciation excepted. Purchasers shall replace or repair worn out or obsolete portions of the improvements necessary to keep the improvements as a whole in good operating conditions. 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.

11. 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.

12. The sellers have delivered, or agree to deliver within fifteen (15) days of the date of closing, 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) Liens or encumbrances which by the terms of this contract the purchasers are to assume, or as to which the conveyance hereunder is to be made subject; and
- (c) Any existing contract or contracts under which sellers are purchasing said real estate, and any mortgage or other obligation, which sellers by this contract agree to pay, none of which for the purpose of this paragraph 12. shall be deemed defects in sellers' title.

ROLL 091981E
MARRIAGE APPLICATIONS
DAILY RECORDINGS
BOARD OF COUNTY COMMISSIONERS

Sellers agree to indemnify purchasers, their heirs, devisees, representatives and assigns against any special exception to title other than the foregoing which may be disclosed by a commitment for title insurance on the real estate from a recognized title insurance company.

13. The sellers agree, upon receiving full payment of the purchase price and interest in the manner above specified, to execute and deliver to purchasers an assignment of purchasers' interest under the real estate contract referred to in paragraph 1.(a) hereof in substantially the same form as Exhibit A attached hereto.

14. 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.

15. 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.

16. The purchasers shall be entitled to possession of said real estate on the date provided in paragraph 4. 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.

17. 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 the contract is not reinstated within the 30-day period, the contract shall be terminated and the purchasers shall pay to the sellers the sum of \$1,000.00 as liquidated damages for the breach of this agreement.~~ 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 required 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 further liquidated damages should purchasers remain in default in any respect on the expiration of the 30-day period. *Thos. R. L. L.*

(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 a different breach at a later 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. Purchasers' covenants to pay the accelerated balance and/or any intermediate installments and/or any other payments made by sellers and repayable by purchasers in the event of default are independent of the covenant to make a deed and every action is an action arising on a contract for the recovery of money only, as if the promise to pay had been expressed in a different instrument. 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.

18. Any notice, declaration, demand or communication to be given 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: Kenneth L. and Marla J. Larson
M.P. 0.54L Hot Springs Alameda
Stevenson, WA 98648

To Sellers: Lawrence S. and Annette K. Lyons
P.O. Box 742
Republic, WA 99166

Either 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.

Lawrence S. Lyons
LAWRENCE S. LYONS

Annette K. Lyons
ANNETTE K. LYONS

Kenneth L. Larson
KENNETH L. LARSON

Marla J. Larson
MARLA J. LARSON

STATE OF WASHINGTON)
County of FERRY) ss.

On this day personally appeared before me LAWRENCE S. LYONS and ANNETTE K. LYONS, 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 17th day of June, 1981.

Robt. J. Talbot
Notary Public in and for the
State of Washington, residing
at REPUBLIC.

No. 8448
TRANSACTION EXCISE TAX

SEP 28 1981
Amount Paid \$435.00 + 87.00 penalty

Skamania County Treasurer
D. Beverly J. Dalrymple Dp

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MARRIAGE APPLICATIONS
DAILY RECORDINGS
BOARD OF COUNTY COMMISSIONERS

EXHIBIT "A"

ASSIGNMENT OF REAL ESTATE CONTRACT

For value received the undersigned hereby assigns, transfers, and sets over to KENNETH L. LARSON and MARLA J. LARSON, husband and wife, assignees, all right, title, and interest of the undersigned as purchasers under that certain contract for sale of real property entered into on January 22, 1979, between Nelson L. Meaghers and Ruth M. Meaghers, husband and wife, as sellers and the undersigned as purchasers, recorded in Book 74 of Deeds, Page 80 official records of the County of Skamania, State of Washington, as Auditors document no. 87975, for the sale and purchase of the real property therein described, situated in the County of Skamania, State of Washington.

The assignees by acceptance hereof assume and agree to pay all installments remaining due under the contract of sale, to perform all other covenants to be kept and performed by purchasers and to indemnify assignors against liability under the contract.

Executed at _____, on _____, 19__.

LAWRENCE S. LYONS

ANNETTE K. LYONS

STATE OF _____)
County of _____) ss.

On this day personally appeared before me LAWRENCE S. LYONS and ANNETTE K. LYONS, 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 _____ day of _____, 19__.

Notary Public in and for the
State of _____, residing
at _____.

CONSENT

As sellers in the contract of sale referred to in the annexed assignment, and as the present owners of the premises therein referred to, we hereby consent to such assignment subject to the condition, as specified in said contract, that in the event of the sale of the described property during the term of said contract the same shall be rewritten for a 20-year period.

Executed at _____, on _____, 19__.

NELSON L. MEAGHERS

RUTH M. MEAGHERS

ROLL 091981E
MARRIAGE APPLICATIONS
DAILY RECORDINGS
BOARD OF COUNTY COMMISSIONERS

STATE OF _____ }
County of _____ } ss.

On this day personally appeared before me NELSON L. MEAGHERS and RUTH M. MEAGHERS, 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 _____ day of _____, 19____.

Notary Public in and for the
State of _____, residing
at _____.

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MARRIAGE APPLICATIONS
DAILY RECORDINGS
BOARD OF COUNTY COMMISSIONERS