

FILED FOR RECORD  
SKAMANIA CO. WASH.  
BY Don & Lucille Gates

JUL 16 11 33 AM '93

P. Lowrey  
AUDITOR  
GARY H. OLSON

WHEN RECORDED RETURN TO:

Mr. and Mrs. Don Gates  
8620 N.E. Mason Drive, #31  
Vancouver, WA 98662

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116756

REAL ESTATE CONTRACT  
(RESIDENTIAL SHORT FORM)

1. PARTIES AND DATE. This Contract is entered into this 14 day of July, 1993, between DON GATES and LUCILLE K. GATES, husband and wife, as "Seller" and STEVEN VAN OOTEGHAM and SUSAN VAN OOTEGHAM, husband and wife, as "Buyer".

2. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the real estate located in Skamania County, State of Washington, legally described as:

Lot 36, SWIFT CREEK ESTATES, according to the recorded plat thereof, recorded in Book "B" of Plats, Page 72, in the County of Skamania, State of Washington.

SUBJECT TO the exceptions, rights, covenants, restrictions, reservations, easements and encumbrances attached hereto as EXHIBIT "A".

3. PERSONAL PROPERTY. No part of the purchase price is attributed to personal property.

4. (a) PRICE. Buyer agrees to pay:

\$50,000.00 Total Price  
Less (\$10,000.00) Down Payment  
Results in \$40,000.00 Amount Financed by Seller

(b) PAYMENT OF AMOUNT FINANCED BY SELLER. Buyer agrees to pay the sum of \$40,000.00 as follows:

(i) \$15,000.00 within fifteen (15) days of the receipt of an expected inheritance by the Buyer, plus interest thereon at the rate of eight (8) percent per annum from the date of executing this Contract, until the date paid.

(ii) The remaining \$25,000.00 shall be paid in installments of \$353.43 or more at Buyer's option on or before the 14 day of August 1993, including interest from the 14 day of July, 1993 at the rate of 8% per annum on the declining balance thereof; and a like amount or more on or before the 14 day of each and every month thereafter until paid in full.

1

Registered	<u>0</u>
Indexed, Dir	<u>0</u>
Indirect	<u>0</u>
Filmed	<u>0</u>
Mailed	<u>0</u>

015957  
REAL ESTATE EXCISE TAX

JUL 16 1993

PAID 640.00

[Signature]  
SKAMANIA COUNTY TREASURER

Glenda J. Kimmel, Skamania County Assessor  
Parcel # 7-6-35-2-2-136  
By [Signature]

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS DUE IN FULL NOT LATER THAN JULY 1, 2001.

Payments are applied first to interest and then to principal. Payments shall be made at 8620 N.E. Mason Drive, #31, Vancouver, WA, 98662, or such other place as the Seller may hereafter indicate in writing.

5. **FAILURE TO MAKE PAYMENTS ON ASSUMED OBLIGATIONS.** If Buyer fails to make any payments on assumed obligations(s), Seller may give written notice to Buyer that unless Buyer makes the delinquent payment(s) within fifteen (15) days, Seller will make the payments(s), together with any late charge, additional interest, penalties and costs assessed by the holder of the assumed obligation(s). The 15-day period may be shortened to avoid the exercise of any remedy by the holder of the assumed obligation. Buyer shall, immediately after such payment by Seller, reimburse Seller for the amount of such payment plus a late charge equal to five percent (5%) of the amount so paid, plus all costs and attorneys fees incurred by Seller in connection with making such payment, together with interest at the rate of twelve (12%) percent per annum on the total amount paid by Seller until the total amount is paid in full.
6. **FULFILLMENT DEED.** Upon payment of all amounts due Seller, Seller agrees to deliver to Buyer a Statutory Warranty Deed in fulfillment of this Contract. The covenants of warranty in said deed shall not apply to any encumbrances assumed by Buyer or to defects in title arising subsequent to the date of this Contract by, through or under persons other than the Seller herein. Any personal property included in the sale shall be included in the fulfillment deed.
7. **LATE CHARGES.** If any payment on the purchase price is not made within ten (10) days after the date it is due, Buyer agrees to pay a late charge equal to 5% of the amount of such payment. Such late payment charge shall be in addition to all other remedies available to Seller and the first amounts received from Buyer after such late charges are due shall be applied to the late charges.
8. **NO ADVERSE EFFECT ON PRIOR ENCUMBRANCES.** Seller warrants that entry into this Contract will not cause in any prior encumbrance (a) a breach, (b) accelerated payments, or (c) an increased interest rate; unless (a), (b) or (c) has been consented to by Buyer in writing.
9. **POSSESSION.** Buyer is entitled to possession of the property upon payment of down payment.
10. **TAXES, ASSESSMENTS AND UTILITY LIENS.** Buyer agrees to pay by the date due all taxes and assessments becoming a lien against the property after the date of this Contract. Buyer may in good faith contest any such taxes or assessments so long as no forfeiture or sale of the property is threatened as the result of such contest. Buyer agrees to pay when due any utility charges which may become liens superior to Seller's interest under this Contract. If real estate taxes and penalties are assessed against the property subsequent to date of this Contract because of a change in use prior to the date of this Contract for Open Space, Farm, Agricultural or Timber classifications approved by the County or because of a Senior Citizen's Declaration to Defer Property Taxes filed prior to the date of this Contract, Buyer may demand in writing payment of such taxes and penalties within 30 days. If payment is not made, Buyer may pay and deduct the amount thereof plus 5% penalty from the payments next becoming due Seller under the Contract.
11. **INSURANCE.** Buyer agrees to keep all buildings now or hereafter erected on the property described herein continuously insured under fire and extended coverage policies in an amount not less than the balances owed on obligations assumed by Buyer plus the balance due Seller, or full insurable value, whichever is lower. All

policies shall be held by the Seller and be in such companies as the Seller may approve and have loss payable first to any holders of underlying encumbrances, then to Seller as their interests may appear and then to Buyer. Buyer may within 30 days after loss negotiate a contract to substantially restore the premises to their condition before the loss. If the insurance proceeds are sufficient to pay the contract price for restoration or if the Buyer deposits in escrow any deficiency with instructions to apply the funds on the restoration contract, the property shall be restored unless the underlying encumbrances provide otherwise. Otherwise the amount collected under any insurance policy shall be applied upon any amounts due hereunder in such order as the Seller shall determine. In the event of forfeiture, all rights of Buyer in insurance policies then in force shall pass to Seller.

12. **NONPAYMENT OF TAXES, INSURANCE AND UTILITIES CONSTITUTING LIENS.** If Buyer fails to pay taxes or assessments, insurance premiums or utility charges constituting liens prior to Seller's interest under this Contract, Seller may pay such items and Buyer shall forthwith pay Seller the amount thereof plus a late charge of 5% of the amount thereof plus costs and attorneys fees incurred in connection with making such payments, together with interest at the rate of 12% per annum on the total amount paid by Seller until the total amount is paid in full.
13. **CONDITION OF PROPERTY.** Buyer accepts the property in its present condition and acknowledges that Seller, his agents and subagents have made no representation or warranty concerning the physical condition of the property or the uses to which it may be put other than as set forth herein. Buyer agrees to maintain the property in such condition as complies with all applicable laws. Buyer also acknowledges that Buyer has had ample opportunity to determine the square footage of any structure on the real property, to determine the true property lines of the property, and determine the square footage of the property being purchased, notwithstanding any representation that may have been made by Seller as to either of these items, and Buyer hereby acknowledges that there is no warranty by the Seller as to any of these items.
14. **RISK OF LOSS.** Buyer shall bear the risk of loss for destruction or condemnation of the property. Any such loss shall not relieve Buyer from any of Buyer's obligations pursuant to this Contract.
15. **WASTE.** Buyer shall keep the property in good repair and shall not commit or suffer waste or willful damage to or destruction of the property. Buyer shall not remove commercial timber without the written consent of Seller.
16. **AGRICULTURAL USE.** If this property is to be used principally for agricultural purposes, Buyer agrees to conduct farm and livestock operations in accordance with good husbandry practices. In the event a forfeiture action is instituted, Buyer consents to Seller's entry on the premises to take any reasonable action to conserve soil, crops, trees and livestock.
17. **CONDEMNATION.** Seller and Buyer may each appear as owners of an interest in the property in any action concerning condemnation of any part of the property. Buyer may within 30 days after condemnation and removal of improvements, negotiate a contract to substantially restore the premises to their condition before the removal. If the condemnation proceeds are sufficient to pay the contract price for restoration or if the Buyer deposits in escrow any deficiency with instructions to apply the funds on the restoration contract, the property shall be restored unless underlying encumbrances provide otherwise. Otherwise, proceeds of the award shall be applied in payment of the balance due on the purchase price, as Seller may direct.
18. **DEFAULT.** If the Buyer fails to observe or perform any term, covenant or condition of this Contract, Seller may:

- (a) Suit for Installments. Sue for any delinquent periodic payment; or
  - (b) Specific Performance. Sue for specific performance of any of Buyer's obligations pursuant to this Contract; or
  - (c) Forfeit Buyer's Interest. Forfeit this Contract pursuant to Ch. 61.30, RCW, as it is presently enacted and may hereafter be amended. The effect of such forfeiture includes: (i) all right, title and interest in the property of the Buyer and all persons claiming through the Buyer shall be terminated; (ii) the Buyer's rights under the Contract shall be canceled; (iii) all sums previously paid under the Contract shall belong to and be retained by the Seller or other person to whom paid and entitled thereto; (iv) all improvements made to and unharvested crops on the property shall belong to Seller; and (v) Buyer shall be required to surrender possession of the property, improvements and unharvested crops to the Seller 10 days after the forfeiture.
  - (d) Acceleration of Balance Due. Give Buyer written notice demanding payment of said delinquencies and payment of a late charge of 5% of the amount of such delinquent payments and payment of Seller's reasonable attorneys fees and costs incurred for services in preparing and sending such Notice and stating that if payment pursuant to said Notice is not received within thirty (30) days after the date said Notice is either deposited in the mail addressed to the Buyer or personally delivered to the Buyer, the entire balance owing, including interest, will become immediately due and payable. Seller may thereupon institute suit for payment of such balance, interest, late charge and reasonable attorneys fees and costs.
  - (e) Judicial Foreclosure. Sue to foreclose this contract as a mortgage, in which event Buyer may be liable for a deficiency.
19. RECEIVER. If Seller has instituted any proceedings specified in Paragraph 20 and Buyer is receiving rental or other income from the property, Buyer agrees that the appointment of a receiver for the property is necessary to protect Seller's interest.
  20. BUYER'S REMEDY FOR SELLER'S DEFAULT. If Seller fails to observe or perform any term, covenant or condition of this Contract, Buyer may, after 30 days' written notice to Seller, institute suit for damages or specific performance unless the breaches designated in said notice are cured.
  21. NON-WAIVER. Failure of either party to insist upon strict performance of the other party's obligations hereunder shall not be construed as a waiver of strict performance thereafter of all of the other party's obligations hereunder and shall not prejudice any remedies as provided herein.
  22. ATTORNEY'S FEES AND COSTS. In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorneys fees and costs, including costs of service of notices and title searches, incurred by the other party, with or without the initiation of a lawsuit. The prevailing party in any suit instituted arising out of this Contract and in any forfeiture proceedings arising out of this Contract shall be entitled to receive reasonable attorneys fees and costs incurred in such suit or proceedings.
  23. NOTICES. Notices shall be either personally served or shall be sent certified mail, return receipt requested and by regular first class mail to Buyer at 26905 N.E. 22nd St., Camas, WA, 98607, and to Seller at 8620 N.E. Mason Drive, #31, Vancouver, WA, 98662, or such other addresses as either party may specify in writing



to the other party. Notices shall be deemed given when served or mailed. Notice to Seller shall also be sent to any institution receiving payments on the Contract.

24. **TIME FOR PERFORMANCE.** Time is of the essence in performance of any obligations pursuant to this Contract.
25. **SUCCESSORS AND ASSIGNS.** Subject to any restrictions against assignment, the provisions of this Contract shall be binding on the heirs, successors and assigns of the Seller and the Buyer.
26. **ALTERATIONS.** Buyer shall not make any substantial alteration to the improvements on the property without the prior written consent of Seller, which consent will not be unreasonably withheld.
27. **DUE ON SALE.** If Buyer, without written consent of Seller, (a) conveys, (b) sells, (c) leases, (d) assigns, (e) contracts to convey, sell, lease or assign, (f) grants an option to buy the property, (g) permits a forfeiture or foreclosure or trustee or sheriff's sale of any of the Buyer's interest in the property or this Contract, Seller may at any time thereafter either raise the interest rate on the balance of the purchase price or declare the entire balance of the purchase price due and payable. If one or more of the entities comprising the Buyer is a corporation, any transfer or successive transfers in the nature of items (a) through (g) above 49% or more of the outstanding capital stock shall enable Seller to take the above action. A lease of less than 3 years (including options for renewals), a transfer to a spouse or child of Buyer, a transfer incident to a marriage dissolution or condemnation, and a transfer by inheritance will not enable Seller to take any action pursuant to this Paragraph; provided the transferee other than a condemnor agrees in writing that the provisions of this paragraph apply to any subsequent transaction involving the property entered into by the transferee.
28. **ADDENDA.** Any addenda attached hereto are a part of this Contract.
29. **ENTIRE AGREEMENT.** This Contract constitutes the entire agreement of the parties and supersedes all prior agreements and understandings, written or oral. This Contract may be amended only in writing executed by Seller and Buyer.

IN WITNESS WHEREOF the parties have signed and sealed this Contract the day and year first above written.

Don Gates  
DON GATES - Seller

Lucille K. Gates  
LUCILLE K. GATES - Seller

Steven Van Ootegham  
STEVEN VAN OOTEGHAM - Buyer

Susan Van Ootegham  
SUSAN VAN OOTEGHAM - Buyer

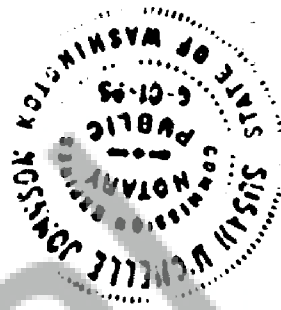
STATE OF WASHINGTON )  
 ) ss.  
County of Clark )

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On this day personally appeared before me DON GATES and LUCILLE K. GATES, 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 14 day of July, 1993.

Susan Johnson  
NOTARY PUBLIC in and for the State of  
Washington, residing at Vancouver, WA  
My commission expires 6-1-95



STATE OF WASHINGTON )  
 ) ss.  
County of Clark )

On this day personally appeared before me STEVEN VAN OOTEGHAM and SUSAN VAN OOTEGHAM, 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 14 day of July, 1993.

Susan Johnson  
NOTARY PUBLIC in and for the State of  
Washington, residing at Vancouver, WA  
My commission expires 6-1-95

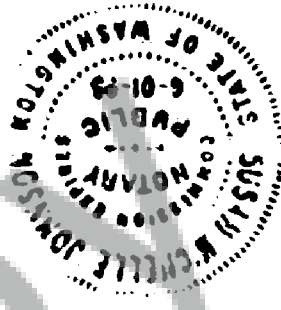


EXHIBIT A

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1. Improvements, if any, located on the real property herein described, and any security interests related thereto including but not limited to Uniform Commercial Code Filings, Mortgages and Deeds of Trust and any Bills of Sale, or Quit Claim Deeds relating to the improvements.
2. Rights of others thereto entitled in and to the continued uninterrupted flow of the unnamed creek, and rights of upper and lower riparian owners in and to the use of the waters and the natural flow thereof.
3. Rights, if any, of the property owners, abutting the unnamed creek in and to the waters of the unnamed creek and in and to the bed thereof; also boating and fishing rights of property owners abutting the unnamed creek or the stream of water leading thereto or therefrom.
4. Any adverse claims based upon the assertion that the unnamed creek has moved.
5. Easement for Public Road including the terms and provisions thereof recorded February 3, 1934 in Book "X", Page 445, Skamania County Deed Records.
6. Easement for utilities including the terms and provisions thereof December 14, 1959 in Book 46, Page 462, Skamania County Deed Records.
7. Reservations and easements and terms and conditions therein contained, and the reservation of mineral rights to Burlington Northern Railroad including the terms and conditions thereof recorded September 17, 1985 in Book 85, Page 66, Skamania County Deed Records. Mineral rights were assigned by mesnes assignment the last of which was to the United States of America recorded in Book 125, Page 335, Skamania County Deed Records.
8. Easement for roads including the terms and provisions thereof recorded February 26, 1973 in Book 64, Page 972, Skamania County Deed Records.
9. Easement for telephone and telephone lines and provisions thereof accorded in Book R, page 138, Skamania County Deed Records.
10. Conditions, covenants and restrictions of Swift Creek Estates recorded February 2, 1993 in Book 133, Page 215 to 230 Skamania County Deed Records.