

DECLARATION OF CO-OWNERSHIP OF PROPERTY

118131

BOOK 139 PAGE 989

This Agreement is entered into as of the 25th day of November, 1993, by the undersigned Owners.

WHEREAS, Joseph and Mary Jane Paterno, husband and wife, ("Paterno") and Jeffrey and Valerie Beebe, husband and wife, ("Beebe") ("collectively Owners") have agreed to each purchase respectively a two-thirds and one-third interest, all undivided, in the property as tenants in common, and

WHEREAS, the Beebes and Paternos have agreed to lease and purchase the property, and

WHEREAS, Owners have agreed to hold title to the property subject to the terms and conditions of this declaration:

FILED FOR RECORD
SKAMANIA CO. WASH
BY Branstetter, Rask
etc.

NOW, THEREFORE, Owners hereby agree as follows:

Dec 3 3 14 PM '93

P. Lowry
AUDITOR
GARY M. OLSON

1. Definitions: As used here, the term

(a) "Expense" means the expenses of administration, maintenance, repair or replacement, taxes, insurance, and such other expenses as may be agreed upon by Owners in the manner provided herein.

(b) "Declaration" shall mean and refer to this certain declaration.

NA
REAL ESTATE EXCISE TAX

PAGE 1 - DECLARATION OF CO-OWNERSHIP OF LAND

DEC 03 1993

PAID See ex 16248

hw
SKAMANIA COUNTY TREASURER

Glenda J. Kimmel, Skamania County Assessor

By ss Parcel # 43-10-02-406

(e) "Owners" means those persons who shall have acquired an undivided interest in the property in accordance with the terms of this Declaration. Joseph and Mary Jane Paterno are one Owner and Jeffrey and Valerie Beebe are one Owner.

(f) "Property" means the leased land and all owned or leased buildings, improvements, structures, and personal property, and all easements, rights, and appurtenances belonging thereto which are submitted to the provisions of this declaration.

2. Name of the Property: The property subject to this declaration shall be known as Cabin 6-A, Northwestern Lake.

3. Description of the Property: The property described on Exhibit A, Page 1, "Contract of Sale", consisting of improvements on leased land and the leased land are hereby submitted to the terms and conditions of this declaration.

4. General Description of the Property: The property consists of a vacation home consisting of approximately 1,150 (Eleven hundred and fifty) square feet, together with such other personal property as described in Exhibit "A" (the Condon Contract) attached hereto and by this reference incorporated herein.

5. Lease: The property described herein in this declaration is subject to the lease dated November __, 1993, between Pacific Power & Light Company and the undersigned ("the

PP&L Lease"). The Owners agree to abide by all provisions of that lease, and make rent payments in an amount proportionate to their ownership interests.

6. Percentage of Interest: The property described herein shall be divided into three equal undivided interests wherein Owners will hold title to their respective interests as tenants in common. All such interests shall be held subject to the terms and conditions of this declaration. Owners intend that no provision of this declaration shall be construed as establishing a partnership, joint venture, or other entity.

The names of Owners and their percentage undivided interests in the Property as of the date of this agreement are as follows:

<u>Name</u>	<u>Percentage Ownership</u>
Paterno	66 2/3
Beebe	33 1/3

7. Blanket Encumbrance: The owned property is subject to a contract of sale in favor of William A. and Wanda L. Condon, in the amount of \$25,500.00 payable in the amount of \$232.03 per month with an annual percentage rate of 9% ("the Condon Contract").

Each Owner shall be responsible for their proportionate share of the Condon Contract as set forth therein. As of the date

of this agreement, Owners are responsible for the following principal portion of the Condon Contract and corresponding portion of the monthly payments:

<u>Name</u>	<u>Principal Proportion of Loan</u>
Paterno	2/3
Beebe	1/3

8. Rights of Occupancy: Each Owner shall be entitled to the exclusive possession of the property in accordance with the terms of the schedule attached hereto as Exhibit "B" and by this reference incorporated herein, each weekly term shall begin at 4:00 p.m. Wednesday and shall end on 3:00 p.m. on the following Wednesday. Owners may agree at an time to exchange periods of occupancy. Each Owner may use the property in accordance with the purposes for which it is intended but may not hinder or encroach upon the lawful rights of the other Owner.

9. Maintenance of the Property: The necessary work to maintain, repair, or replace the improvements located on the property shall be the joint responsibility of Owners, provided, however, that it shall be the responsibility of each Owner to clean such items of personal property that are necessary prior to the termination of each occupancy period.

Each individual name herein shall at all times have

access for the purposes of making emergency repairs therein for the public's safety, to prevent damage, or to abate any nuisance existing on the property.

10. Management:

10.1 Powers of Owners: Owners shall have the following powers and shall jointly make decisions as to exercise of such power:

(a) Maintaining and repairing the improvements described herein;

(b) Payment of all rent, taxes and assessments on the property, and all other payments provided for in the PP&L Lease;

(c) Procuring and maintaining insurance in all improvements for fire hazard and theft with a full insurable value thereof;

(d) Collection of assessments and penalties;

(e) Fixing the fees to be paid by each Owner; and

(f) Payment of all sums due under the Condon Contract.

10.2 Books and Records: Owners shall maintain books and records for all income, costs, and expenses incurred, alternating responsibility for maintaining such books on an annual basis. A yearly statement shall be prepared and sent to each Owner setting forth all income, costs, and expenses.

10.3 Annual Budget and Maintenance Assessment: It shall be the joint responsibility of Owners to prepare an annual budget for the next calendar year and shall, based upon said annual

budget, determine the amount of monthly assessments to be due from each Owner.

10.4 Capital and Contributions: The operating and other expenses associated with the use and ownership of said property, including, but not limited to, lease payments, contract payments, taxes, insurance, electricity, telephone, sewer, water, maintenance fund, governmental and private assessments, etc., shall be paid by each Owner in accordance to budget (the Condon Contract, insurance utilities and capital improvement funds to be paid on a monthly basis, PP&L Lease and property taxes may be paid as due) see Exhibit C, to the common fund of this ownership group payable on or before the 3rd day of each month beginning the 3rd day of December, 1993. Said money shall be received by the Owner responsible for keeping books in that year and shall be held in an account for the purpose of meeting said expenditures. Said monthly payment may be increased or decreased depending upon the amount of funds that Owner determines to be necessary to meet said expenditures. Said reserves shall be owned prorata by Owners. In addition, each Owner shall contribute such additional capital as may be necessary from time to time during the continuance of this association so as to enable the association to meet its obligations with regard to the ownership, renting, and holding of said real property and the personal property contained therein. Such additional capital shall be provided by each Owner in proportion to their ownership interests.

The Owners acknowledge that time is of the essence with respect to the monthly contributions and agree that in the event any payment is not made as required within ten (10) days of the date specified herein, said late payment shall bear a late payment penalty of not more than 5 percent of said monthly payment. Additionally, any monthly payment received later than ten days from the date that it is due shall bear interest at the maximum rate provided by law or at 9 percent per annum, whichever is less. Any Owner making their payment later than ten days after the date it is due is in default of this agreement and the remaining Owners may pursue such remedies for default as the law provides. The parties agree that legal remedies shall be pursued forthwith if any party is 60 days or more in default.

10.5 Banking: All monies received by, or on behalf of, this venture shall promptly be deposited to the credit of the venture in such bank in the account of the venture, and in the same drafts, checks, bills, or cash in which said money was received. All withdrawals of funds from said account shall be by check, drawn and signed by the Owner responsible for keeping books in that year.

10.6 Checking Account: Checking account for Owners shall be at Washington Mutual.

11. Decisions Affecting Property: All decisions not otherwise delegated to the Owner responsible for keeping the books that year shall be determined by a vote of the Owners interest reflected in Paragraph 1 above. Without limiting the generality of

the foregoing, it is agreed that a majority vote will determine all issues and questions not otherwise delegated to the that Owner.

12. Meetings: There shall be an annual meeting held in May of each year. Additional meetings may be called by any Owner upon adequate notice to the other parties as deemed necessary.

13. Default and Lien Against Undivided Interest: The remaining Owners, shall have a lien upon the undivided interest in the property for the other Owner if they shall be delinquent in the payment of any fees assessed under the terms of this declaration, and the lien shall be prior to all other liens or encumbrances upon the property, except:

(a) Tax assessment liens; and

(b) The lien created by the contract or a first trust deed of record or first mortgage. These assessments shall be a separate and personal debt and obligation of the Owner against whom the same is assessed at the time the assessment is made and shall be collectible as such. The other Owner shall cause to be filed a notice of lien claim with respect to any assessment which has not been paid within 30 days from the mailing date of the notice of assessment. A notice of claim shall be filed within ten days of the expiration of such 30 days notice. The lien shall be foreclosed in the manner provided in ORS Chapter 88. The non-defaulting Owner shall be entitled to recover, in any suit to foreclose or action to recover money judgment for any unpaid

assessments, interest on the delinquent assessment at the rate of 9 percent per annum, and costs, including reasonable attorney's fees for such suit or action, or appeal therefrom.

14. Restrictions on Parties: No Owner, without the consent of all other Owners, shall:

(a) Mortgage, grant a security interest in or pledge its interest in the venture;

(b) Borrow or lend money on behalf of the venture or purchase any property or security therefor;

(c) Assign, pledge, transfer, compromise, or release any claim of venture except for full payment, or consent to the arbitration of any of its disputes or controversies;

(d) Use the name, credit, or property of the venture for any purpose other than a venture purpose; and

(e) Do any act detrimental to the venture purpose or which would make it impossible to carry on that purpose.

15. Right of First Refusal: The remaining Owner shall be entitled to a right of first refusal in the event any Owner obtains a bona fide offer for the purchase of that Owner's interest as set forth hereafter, provided, however, that this paragraph shall not in any way effect the right of Paterno from selling one remaining one-third undivided interest which is still in their name as of the date of this agreement. The offer so received by an Owner shall be promptly delivered to the other Owner. The other

Owner shall have 30 days from the date that the offer is delivered in which to exercise the right to purchase said interest on the exact terms and conditions set forth in the offer. The closing date of the transaction, in the event of exercise, shall be on the 60th day after delivery of the offer to the Owner or on the date set forth on said offer, whichever occurs later. In the event that the Owners fail to acquire the interest, the Owner who had offered their interest for sale may proceed to sell their interest to said third party on said same terms and conditions provided said third party is acceptable to the other Owner and further provided that said acceptance shall not be unreasonably withheld. Said third party is required to assume all of the terms and conditions of this agreement, and the party selling their interest does not, by said sale, become released from their obligation to the other Owner herein unless they have been released from all liability by that Owner from the blanket encumbrance.

16. Rules and Regulations: The Owners may adopt such additional rules and regulations for the use and occupancy of the property upon a majority vote of said Owners.

17. Death of a Party Member: The interest of each individual may be disposed of by will or intestacy to the deceased party's immediate family, and the heirs, successors, or legal representatives shall hold the interest, subject to all terms and provisions to this agreement. Immediate family as defined in the

case of a will or intestacy is spouse, parent or parents, and child or children. Upon death, a party to this agreement may give or devise this property to only one heir. In the event an Owner fails to comply with the foregoing sentence, the remaining Owners shall have the right and option to purchase said deceased Owner's interest by paying the personal representative the fair market value of the deceased Owner's equity in said property plus or minus prorations as are standard for property sales. In the event the personal representative and the remaining Owners have not agreed on the fair market value within 90 days following death, the fair market value of said property shall be determined by arbitration in accordance with the rules of the American Arbitration Association. The remaining parties shall pay said sum in cash within 60 days following the date such is determined by agreement or if the Owners have not agreed, within 60 days following said determination by arbitration.

18. Dissolution of Marriage: In the event of a marriage dissolution of an Owner, only one, but not both, of the members of that family unit may continue in the venture. The name of the member to continue in the venture shall be furnished to the other Owner in writing signed by both members of the couple.

19. Amendment: This declaration may be amended by the affirmative vote of all Owners at any special meeting called for such purpose.

20. Right of Partition: Each Owner irrevocably waives the right to directly or indirectly maintain an action or petition in any court for a partition of the property.

21. Termination of Co-Ownership Agreement:

21.1 Events of Termination: This Agreement shall continue until terminated by the occurrence of one of the following events:

- (a) The sale of the property;
- (b) The majority agreement of the Owners to terminate this agreement; or
- (c) The majority agreement of the Owners to divide and separate the property among themselves.

21.2 Effect on Obligation: Termination shall not affect the rights or obligations of the Owners which arise prior to the termination.

22. Attorney Fees: In the event of suit, action, or arbitration to enforce any of the terms of this agreement, the prevailing party or parties shall be awarded such sum as the court or arbitrator may adjudge reasonable as attorney fees in such suit, action, or arbitration and in any appeal therefrom.

23. Integration: This agreement contains the entire agreement of Owners and supersedes all prior and contemporaneous agreements between them with respect to the Co-Ownership Agreement.

BOOK 139 PAGE 1001

Except as fully set forth herein, there are not representations, agreements, or understandings, oral or written, among the Owners relating to the co-ownership.

24. Severability: If any term or provision of this agreement shall to any extent be invalid or unenforceable, the remainder of this agreement shall not be affected thereby, and each term or provision of this agreement shall be valid and enforceable to the fullest extent permitted by law.

25. Choice of Law: This agreement shall be interpreted according to the laws of the State of Oregon without reference to laws of Washington.

DATED this 25 day of November, 1993.

Joseph J. Paterno
JOSEPH PATERNO

Mary Jane Paterno
MARY JANE PATERNO

Jeffrey C. Beebe
JEFFREY BEEBE

Valerie L. Beebe
VALERIE BEEBE

"Exhibit A"

BOOK 139 PAGE 1002

CONTRACT OF SALE

This contract made and entered into this 27th day of October, 1993, between William A. Condon and Wanda L. Condon, husband and wife, hereinafter called the "Seller" and, Joseph Paterno and Mary Jane Paterno, husband and wife, as to an undivided 2/3 interest, and Jeffrey Beebe and Valerie Beebe, husband and wife, as to an undivided 1/3 interest, tenants in common, 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 situated in Skamania County, Washington:

A leasehold interest in Northwestern Lake Cabin Site 6 A on Government Lot 2, Section 2, Township 3 North, Range 10, E.W.M., including a cabin and 8 x 24 foot attached deck located thereon, and all personal property on the premises, except the following: rug, dinette set, microwave oven, television and stand, two maple end tables, and lamp.

TERMS AND CONDITIONS:

The terms and conditions of this contract are as follows:

The purchase price is Fifty-six Thousand Dollars (\$56,000.00), of which Thirty Thousand Five Hundred Dollars (\$30,500.00) has been paid, the receipt whereof is hereby acknowledged and the balance of said purchase price of Twenty-five Thousand Five Hundred Dollars (\$25,500.00) shall be paid as follows:

Three Hundred Twenty-three Dollars and Three Cents (\$323.03) or more, at purchaser's option on or before the 27th day of November, 1993, and Three Hundred Twenty-three Dollars and Three Cents (\$323.03) or more at purchaser's option on or before the 27th day each succeeding month until the entire balance, including interest, shall be fully paid.

The purchaser further agrees to pay interest on the diminishing balance of said purchase price at the rate of nine percent (9%) per annum from the 27th day of October, 1993, which interest shall be deducted from each installment payment and the balance of each payment applied in reduction of principal.

All payments to be made hereunder shall be paid into an escrow account established at

CONTRACT OF SALE - 1

RECORDER'S NOTE:
NOT AN ORIGINAL DOCUMENT

Columbia Title Company, White Salmon, Washington, or at such other place as the seller may direct in writing

As referred to in this contract "Date of Closing" shall be October 27, 1993.

PENALTY FOR LATE PAYMENT:

Purchaser's payment will be late if not received within ten days of the due date. If a payment is later, purchaser will be charged five percent (5%) of the payment.

ASSIGNMENT OF CONTRACT:

The purchaser shall not assign any interest under this contract without the express written consent of the seller, which consent shall not be unreasonably withheld.

DUE ON SALE:

The seller may, at his option, declare immediately due and payable all sums due under this real estate contract upon the sale or transfer without the seller's prior written consent of all or any part of the interest in real property or personal property subject to this transaction. A "sale or transfer" means the conveyance of any right, title or interest in the property subject to this contract, whether legal or equitable, whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land sale contract, contract for deed, lease hold interest with a term greater than three years, lease/option contract or by sale, assignment or transfer of any beneficial interest in and to any land trust holding title to the interest in real property or by any other method of conveyance of property interest. However, this option shall not be exercised by seller, if exercise is prohibited by federal law or by Washington law. This paragraph shall not apply to a dissolution of marriage or the death of any party.

TAXES:

The purchaser assumes and agrees to pay before delinquency all taxes and assessments that may as between the seller and purchaser hereafter become a lien on said property subject to this sale and purchaser shall provide proof of payment of such taxes to the seller annually.

INSURANCE:

The purchaser agrees, until the purchase price is fully paid, to keep the buildings now and hereafter placed on the leased premises, 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 further keep all of the personal property located within the cabin on the premises insured for replacement value, and to pay all premiums therefore and to deliver all policies and renewals thereof to the seller.

WARRANTIES:

The purchaser agrees that full inspection of the cabin and other personal property has been

made and neither the seller nor his assigns shall be held to any covenant respecting the conditions of any of the personal property, 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.

DAMAGE OR DESTRUCTION:

The purchaser assumes all hazards of damage to or destruction of any of the personal property subject to this contract, or any property hereafter placed upon the lease hold premises, and of the taking of said lease hold premises 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 the lease hold interest is taken for public use, the portion of the condemnation award remaining after the 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 said 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.

DELIVERY OF BILL OF SALE:

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 Bill of Sale to the personal property subject to this contract. Seller agrees to assign his interest in the lease hold estate which he holds on cabin site 6A, wherein Pacific Power and Light Company is the Lessor and the Seller is the Lessee.

POSSESSION:

Unless a different date is provided for herein, the purchaser shall be entitled to possession of the lease hold interest and the personal property thereon 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 lease hold estate in good repair and not to permit waste and not to use or permit the use of the property 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 the lease hold estate after the date purchaser is entitled to possession.

DEFAULT IN INSURANCE PAYMENTS:

BOOK 139 pt. 1005

In case the purchaser fails to make any payment herein provided or to maintain insurance as herein required, the seller may make such payment or effect such insurance and any amount so paid by the seller, together with interest at the rate of 10 percent 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.

DEFAULT:

The purchaser shall be in default under this contract if it:

- A. Fails to observe or perform any term, covenant or condition herein set forth or those of any prior encumbrances, or,
- B. Fails or neglects to make any payment of principal or interest or any other amount required to be so discharged by the purchaser, precisely when obligated to do so, or,
- C. Becomes or is declared insolvent or makes an assignment for the benefit of creditors or files any debtors petition or any petition is filed against it under any bankruptcy, wage earners reorganization or similar act, or,
- D. Permits the property, or any part thereof, or its interest therein to be attached or in any manner restrained or impounded by process of any court, or,
- E. Conveys the property, or a portion thereof without the prior written consent required herein of the seller.

SELLER'S REMEDIES:

In the event the purchaser is in default under this contract, the seller may, at its election, take the following course of action:

A. **Suit for delinquencies:** The seller may institute suit for any installment amounts or other sums due and payable under this contract as of the date of the judgment and any sums which have been advanced by seller as of said date, pursuant to the provisions of this contract, together with interest on all of said amounts at the default rate, from the date each such amount was advanced or due, as the case may be, to and including the date of collection;

B. **Forfeiture and Repossession:** The seller may cancel and render void all rights, titles and interests of the purchaser and its successors in this contract and in the property (including all of purchaser's then existing rights, interest and estates therein and timber crops and improvements thereon), by giving a Notice of Intent to Forfeit pursuant to RCW 61.30.040-070, and said cancellation and forfeiture shall become effective if the default therein specified has not been fully cured within 90 days thereafter and the seller records a Declaration of Forfeiture pursuant to RCW 61.30.040-070. Upon the forfeiture of this contract, the seller may retain all payments made

hereunder by the purchaser and may take possession of the property ten days following the date this contract is forfeited and summarily eject the purchaser and any person or persons having possession of the said property by, through or under the purchaser, who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture and remain in possession of the property more than ten days after such forfeiture. The purchaser, or such person or persons, shall be deemed tenants at will of the seller and the seller shall be entitled to institute an action for summary possession of the property and may recover from the purchaser, or such person or persons in any such proceedings, the fair rental value of the property for the use thereof from and after the date of forfeiture, plus costs, including seller's reasonable attorneys fees.

PURCHASER'S REMEDIES:

In the event the seller should default in any of its obligations under its contract and such default continues for fifteen days after the purchaser gives the seller written notice specifying the nature thereof and the acts required to cure the same, the purchaser shall have the right to specifically enforce this contract, institute suit for its damages caused by such default, or pursue any other remedy which may be available to the purchaser at law or in equity.

NOTICES:

Any notices required or permitted by law or under this contract shall be in writing and shall be sent by first class, certified or registered mail, return receipt requested, with postage prepaid, to the parties addresses as follows:

Seller: William A. Condon and Wanda L. Condon, 3916 NE 157th Ave., Vancouver, WA, 98682

Purchaser: Joseph J. Paterno and Jeffrey Beebe, 2444 NE 49th Ave., Portland, OR 97213

Either party may change such address for notice. All notices which are so addressed and paid for shall be deemed effective two business days following the deposit thereof in the US Mail, irrespective of actual receipt of such notice by the addressee.

COSTS AND ATTORNEYS FEES:

If either party shall be in default under this contract, the non-defaulting party shall have the right, at the defaulting parties' expense, to retain an attorney or collection agency to make any demand, enforce any remedy or otherwise protect and enforce its rights under this contract. The defaulting party hereby promises to pay all costs and expenses so incurred by the non-defaulting party, including, without limitation, arbitration and court costs, collection agency charges, notice expenses, title search expenses and reasonable attorneys fees (with or without arbitration or litigation) and the failure of defaulting party to promptly pay the same shall, in itself, constitute a

further and additional default. In the event either party hereto institutes any action (including arbitration) to enforce the terms and provisions of this contract, the prevailing party in such action shall be entitled to reimbursement by the losing party for its court costs and reasonable attorneys fees, including such costs and fees that are incurred on appeal. All reimbursements required by this paragraph shall be due and payable on demand, may be off-set against any sum owed to the parties so liable in order of maturity and shall bear interest at the default rate or from the date of demand, to and including the date of collection, or the due date of any sum against which the same is off-set.

TIME OF PERFORMANCE:

Time is specifically declared to be of the essence of this contract and of all acts required to be done and performed by the parties hereto, including but not limited to the proper tender of each of the sums required by the terms hereof to be paid.

SUCCESSORS:

Subject to the restrictions contained herein, the rights and obligations of the seller and the purchaser shall inure to the benefit of and be binding upon their respective estates, heirs, executors, administrators, successors and assigns, provided, however, no person to whom this contract is pledged or assigned, for security purposes, by either party hereto, shall, in the absence of an express written assumption by such party, be liable for the performance of any covenant herein. Any assignee of any interest in this contract or any holder of any interest in the property shall have the right to cure any default in the manner permitted and between the time periods required of the defaulting party, but, except as otherwise required by law, no notices, in addition to those provided for in this contract, need be given.

ENTIRE AGREEMENT:

This contract contains the entire agreement of the parties hereto and, except for any agreements or warranties otherwise stated in writing to survive the execution and delivery of this contract, supersedes all of their previous understandings and agreements, written and oral, with respect to this transaction. Neither the seller nor the purchaser shall be liable to the other for any representations made by any person concerning the property or regarding the terms of this contract, except to the extent that the same are expressed in this instrument.

This contract may be amended only upon written instrument executed by the purchaser and the seller subsequent to the date hereof.

In Witness Whereof, the parties hereto have executed this instrument as of the date first above written.

BOOK 139 PAGE 1008

William A. Condon
William A. Condon
Seller

Wanda L. Condon
Wanda L. Condon
Seller

Joseph J. Paterno
Joseph Paterno
Buyer

Mary Jane Paterno
Mary Jane Paterno
Buyer

Jeffrey C. Beebe
Jeffrey Beebe
Buyer

Valerie L. Beebe
Valerie Beebe
Buyer

STATE OF WASHINGTON)
County of Klickitat) ss.

On this day personally appeared before me William A. Condon and Wanda L. Condon, to me known to be the individual(s) described in and who executed the within and foregoing instrument and acknowledged to me 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 25th day of October, 1993.

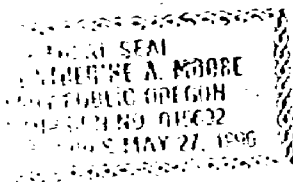
[Signature]
Notary public for Washington,
residing at Butte therein.
My commission expires: 3/7/94

STATE OF WASHINGTON) OREGON
County of Klickitat) ss.
Fullerton

On this day personally appeared before me Joseph Paterno and Mary Jane Paterno, to me known to be the individual(s) described in and who executed the within and foregoing instrument and acknowledged to me 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 8th day of November, 1993.

CONTRACT OF SALE - 7 -



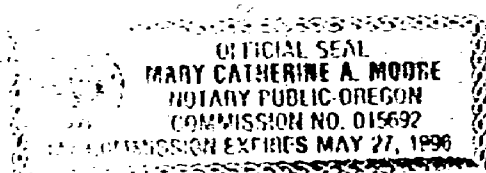
Mary Catherine A. Moore
Notary public for Washington, Oregon,
residing at *Washou*, therein.
My commission expires: *5/27/96*

STATE OF WASHINGTON) *Clickit*
County of Klickitat) ss.
that becom

BOOK *139* PAGE *1009*

On this day personally appeared before me Jeffrey Beebe and Valerie Beebe, to me known to be the individual(s) described in and who executed the within and foregoing instrument and acknowledged to me 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 *8th* day of *November*, 1993.



Mary Catherine A. Moore
Notary public for Washington, Oregon,
residing at *Washou*, therein.
My commission expires: *5/27/96*

- yellow underlined dates = Boche
- men underlined dates = Putane

1994

JANUARY							FEBRUARY							MARCH								
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APRIL							MAY							JUNE							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
						1							1							1	2
2	3	4	5	6	7	8	2	3	4	5	6	7	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	11	12	13	14	15	16	17	12	13	14	15	16	17	18	19
18	19	20	21	22	23	24	18	19	20	21	22	23	24	19	20	21	22	23	24	25	26
25	26	27	28	29	30		25	26	27	28	29	30		25	26	27	28	29	30		

JULY							AUGUST							SEPTEMBER							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
						1							1							1	2
2	3	4	5	6	7	8	2	3	4	5	6	7	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	11	12	13	14	15	16	17	12	13	14	15	16	17	18	19
18	19	20	21	22	23	24	18	19	20	21	22	23	24	19	20	21	22	23	24	25	26
25	26	27	28	29	30	31	25	26	27	28	29	30	31	25	26	27	28	29	30	31	

OCTOBER							NOVEMBER							DECEMBER							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
						1							1							1	2
2	3	4	5	6	7	8	2	3	4	5	6	7	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	11	12	13	14	15	16	17	12	13	14	15	16	17	18	19
18	19	20	21	22	23	24	18	19	20	21	22	23	24	19	20	21	22	23	24	25	26
25	26	27	28	29	30	31	25	26	27	28	29	30	31	25	26	27	28	29	30	31	

JANUARY							FEBRUARY							MARCH						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4	1	2	3	4	5	6	1	2	3	4	5	6	7	
7	8	9	10	11	12	13	7	8	9	10	11	12	7	8	9	10	11	12	13	
14	15	16	17	18	19	20	13	14	15	16	17	18	14	15	16	17	18	19	20	
21	22	23	24	25	26	27	19	20	21	22	23	24	21	22	23	24	25	26	27	
28	29	30	31				26	27	28	29			28	29	30	31				

APRIL							MAY							JUNE						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5			1	2	3	4			1	2	3	4	5	
7	8	9	10	11	12	13	5	6	7	8	9	10	6	7	8	9	10	11	12	
14	15	16	17	18	19	20	12	13	14	15	16	17	13	14	15	16	17	18	19	
21	22	23	24	25	26	27	18	19	20	21	22	23	20	21	22	23	24	25	26	
28	29	30					25	26	27	28	29	30	27	28	29	30				

JULY							AUGUST							SEPTEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5			1	2	3	4			1	2	3	4	5	
7	8	9	10	11	12	13	1	2	3	4	5	6	6	7	8	9	10	11	12	
14	15	16	17	18	19	20	7	8	9	10	11	12	13	14	15	16	17	18	19	
21	22	23	24	25	26	27	13	14	15	16	17	18	20	21	22	23	24	25	26	
28	29	30	31				20	21	22	23	24	25	27	28	29	30				

OCTOBER							NOVEMBER							DECEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5			1	2	3	4			1	2	3	4	5	
7	8	9	10	11	12	13	7	8	9	10	11	12	6	7	8	9	10	11	12	
14	15	16	17	18	19	20	14	15	16	17	18	19	13	14	15	16	17	18	19	
21	22	23	24	25	26	27	21	22	23	24	25	26	20	21	22	23	24	25	26	
28	29	30	31				28	29	30				27	28	29	30	31			

EXHIBIT "C"**BUDGET 1994**

THE FOLLOWING EXPENSES TO BE PAID ON A MONTHLY BASIS.
(YEARLY TOTALS ALSO OUTLINED).

	RECURRING		PAID ONCE		TOTAL/YR-MO.	
	<u>YEARLY</u>	<u>MONTHLY</u>	<u>YEARLY</u>	<u>MONTHLY</u>		
CONTRACT	2229.60	185.80	1646.76	137.23	3876.36	323.03
INSURANCE	151.00	12.58	302.00	25.17	453.00	37.75
ELECTRICITY	180.00	15.00	360.00	30.00	540.00	45.00
TELEPHONE	60.00	5.00	120.00	10.00	180.00	15.00
CAPITAL IMP.	120.00	10.00	240.00	20.00	360.00	30.00
TOTAL	2740.60	228.38	2668.76	222.40	5409.36	450.78

THE FOLLOWING EXPENSES TO BE PAID AS DUE:

	RECURRING	PAID ONCE	TOTAL
PROPERTY TAX	185.00	370.00	555.00
RENTAL LEASE			
JAN.-JUNE	166.50	333.50	500.00
JULY-DEC.	225.00	450.00	675.00
TOTAL	576.50	1153.50	1730.00