

119756

GRANT OF OPTION

BOOK 143 PAGE 922

OPTIONORS, Edward J. Heffernan Sr. and Aurora Heffernan, his wife and Edward J. Heffernan Jr. and Eugenia Heffernan, his wife, all acting as to their respective marital communities in property held as tenants in common, each couple holding undivided 1/2 interests, do hereby grant to Clifford F. McGuire, a single person, the right, privilege and option to purchase all that certain real property as described on Exhibit A attached hereto according to the terms and conditions of those two certain "Real Estate Contract and Earnest Money Agreements" executed by the Optionors in favor of Optionee on May 18th, 1994, copies of which are attached and incorporated herein.

Dated June, 1994 according to the subjoined acknowledgments.

Edward J. Heffernan Sr. x *Eugenia D. Heffernan*
 x *Aurora M. Heffernan* x *Clifford F. McGuire*

STATE OF WASHINGTON)
) ss.
 COUNTY OF _____)

THIS IS TO CERTIFY that on this day below written, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Edward J. Heffernan Sr. and Aurora Heffernan, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged to me that they signed said instrument as their free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed this _____ day of June 1994.

Notary Public in and for the State of Washington residing at _____

FILED FOR RECORD
 SKAMANIA CO. WASH
 BY SKAMANIA CO. TRES

Jun 20 11 25 AM '94

G. Olson
 AUDITOR
 GARY M. OLSON

N/K
 REAL ESTATE EXCISE TAX

JUN 20 1994
 PAID *12.81A*

SKAMANIA COUNTY TREASURER

Registered _____
 Indexed, Lir _____

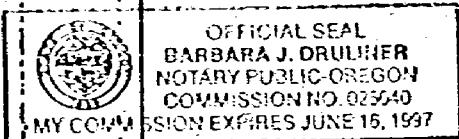
 Mailed _____

Glenda J. Kimmel, Skamania County Assessor
 By: *JK* Parcel # 3-8-19-508

STATE OF OREGON)
COUNTY OF ^{Yamhill} ~~WARREN~~) ss.

THIS IS TO CERTIFY that on this day below written, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Edward J. Heffernan Sr. and Aurora Heffernan, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged to me that they signed said instrument as their free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed this 17 day of June, 1994.

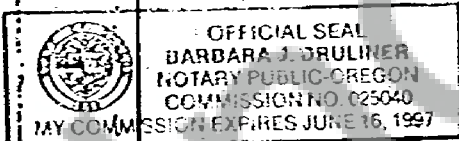


Barbara J. Druliner
Notary Public in and for the State of Oregon residing at Salem.

STATE OF OREGON)
COUNTY OF ^{Yamhill} ~~WARREN~~) ss.

THIS IS TO CERTIFY that on this day below written, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Edward J. Heffernan Jr. and Eugenia Heffernan, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged to me that they signed said instrument as their free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed this 17 day of June, 1994.



Barbara J. Druliner
Notary Public in and for the State of Oregon residing at Salem.

EXHIBIT "A"

A Tract of land in the Southwest Quarter of the Northeast Quarter of Section 29, Township 3 North, Range 8 East of the Willamette meridian, in the County of Skamania, State of Washington, described as follows:

Beginning at the Southwest corner of the Northeast Quarter of Section 29, Township 3 North, Range 8 East of the Willamette Meridian; running thence North along the Quarter Section line to the Northwest corner of the Southwest Quarter of the Northeast Quarter of said Section; thence running East on the North line of the South Half of the Northeast Quarter until it intersects the present county road known as the Sprague Landing and Carson Road; thence following the meander of said county road in a Southwesterly direction to the intersection of said road with the West line of the Southeast Quarter of said Section 29, same Township and Range; thence North along said West line to the place of beginning.

EXCEPTING THEREFROM the following:

A. Beginning at a point on the North line of the Southwest Quarter of the Northeast Quarter of Section 29, West 324.4 feet from the Northeast corner of the Southwest Quarter of the Northeast Quarter of said Section 29; thence South 18 degrees 43' East 440.6 feet; thence North 72 degrees 20' East 147 feet, more or less, to intersection with the center of the old county road known as Stevenson-Carson Road, now abandoned; thence Northerly along the center of said road 324.4 feet, more or less, to the North line of the Southwest Quarter of the Northeast Quarter of said Section 29; thence West 211.8 feet to the Point of Beginning.

B. That portion thereof lying within the 300 feet strip of land acquired by the United States of America for the Bonneville Power Administration's electric power transmission lines.

C. Lots 1 and 2 of Beaudry Short Plat recorded in Book 2, of Short Plats, Page 112 of Short, Skamania County Records.

D. That portion conveyed to George M. Acker et. ux., by instruments recorded in Book 48, Page 213 and in Book 59, Page 238, Skamania County Deed Records.

Real Estate Contract and Earnest Money Agreement

This agreement, made this date below written by and between Edward J. Heffernan Sr. and Aurora Heffernan, his wife, and Edward J. Heffernan Jr. and Eugenia Heffernan, his wife, all acting as to their respective marital communities in property held as tenants in common as to undivided 1/2 interests, hereafter referred to as "sellers" and Clifford F. McGuire, a single man, hereafter referred to as "Purchaser".

WITNESSETH: The parties hereto do hereby acknowledge the giving and receiving of consideration, the receipt and adequacy of which is hereby acknowledged, in the obligations assumed, covenants and agreements hereinafter contained, as well as the option given and other valuable consideration herein exchanged.

NOW THEREFORE, Sellers do hereby agree to sell and Purchaser do hereby agree to purchase, upon the following terms and conditions, all that certain real property, as more particularly described on the attached schedule, (less two lots consisting of approximately 2 1/2 acres in total situated in the North East corner of the tract east of the power line and north of the gas line) together with an easement 60 feet in width over and across lot 502 of the short plat from the southerly portion at the highway thence north to the north line of 502 at a location of Purchaser's selection, together with and subject to all of those certain restrictions of record as set forth on Columbia Title Insurance Company policy No. H-1177741. (The property subject of this purchase and sale is also known to the parties as parcel #500 of a short plat.)

Provided however, that prior to closing an updated/preliminary title report shall be provided to Purchaser and the then state and condition of sellers' title shall be in a form and manner which are acceptable to Purchaser's attorney Ross R. Rakow.

Upon closing Purchaser shall pay those compensating taxes, interest and penalties related to the removal of this parcel # 500. Upon closing of this transaction Sellers shall pay those compensating taxes, interest and penalties related to the removal of parcel # 502 whether or not later reimbursed by purchaser.

This purchase and sale shall be upon the following terms and conditions:

(1) Other Agreement: By separate agreement executed simultaneously herewith Sellers have granted to Purchaser an option to purchase parcel #502 of the Short Plat. While this agreement is independent of such separate agreement the two shall be construed together in case of ambiguity in either.

(2) Price and Terms-Lot #500: The total purchase price of parcel #500 of the subject real property is One Hundred Fifteen Thousand (\$115,000.00) Dollars of which the sum of One Thousand Dollars (\$1,000.00) Dollars shall have been paid as earnest money deposit. The balance of the purchase price shall be paid at the time of closing.

In addition to the foregoing cash payment Purchaser shall install at his expense and at a time and manner convenient to Purchaser those road, water, power and other utility services comparable to the remaining parcels of such plat to the two lots retained by sellers. Purchaser shall not sell any of the lots created in the subject premises until such time as these services are provided to the lots reserved to sellers. Further, should the parties disagree as to the form of covenants, limitations and restrictions proposed by purchaser to be adopted as to the subject premises then purchaser may elect to exclude sellers' lots from such burdens and benefits.

(3) Closing: This transaction shall be closed ^{BY CM} ~~at the election of Purchaser at any time~~ within 30 days after Purchaser shall receive preliminary approval from the county authorities of Purchaser's proposed long plat (as to this lot #500) and any amendments thereto but in no event later than one year from date hereof. Should the purchaser's platting process be delayed beyond 90 days from date without approval then purchaser may, at his option, continue the closing date from month to month thereafter by the payment to sellers of interest upon the purchase price at the rate of ten percent (10%) per annum payable each month commencing 120 days from date hereof. Closing shall occur through an escrow account at the Columbia Title Insurance Company, White Salmon, Washington. Costs of excise tax, title insurance policy, prorated real property taxes, one-half of the escrow fees and sellers' attorneys fees shall be paid by sellers. Costs of recording, prorated real property taxes, one-half of the escrow fees and Purchaser's attorneys fees shall be

paid by Purchaser. Should Purchaser fail to close the purchase of lot #500 within one year then he shall have no further right, duty, or obligation in connection therewith except as set forth below for forest clean up.

(4) **Plat Application:** Sellers understand that Purchaser will be undertaking the development and marketing of the subject premises. Sellers hereby agree to execute promptly upon purchaser's request any and all plat applications and instruments convenient thereto, including the dedication of easements, covenants, limitations and restrictions of Purchaser choice, upon presentation by Purchaser, the costs of preparation and filing of which instruments the Purchaser shall pay. Purchaser reserves the exclusive right to prepare and file such plat of a design and at a time of his discretion.

Provided However, that the uncertainty of platting proceedings, requirements, perk tests, and other practical considerations is such that in the event that Purchaser's application for long plat shall be rejected by the regulatory authorities or platting of the subject premises shall at any time appear impractical or unprofitable, in the sole and exclusive judgment and discretion of Purchaser, then at his sole election and upon Purchaser giving notice thereof in writing to sellers then all further obligations of Purchaser hereunder to close and to purchase shall cease. In the event the regulatory authorities shall fail to approve the plat application then Purchaser shall be entitled to the recovery of his earnest money in full and this agreement shall be null and void. In the event that Purchaser elects to withdraw or abandon his plat application then in such event the earnest money shall be forfeited to sellers as liquidated damages.

(5) **Access:** From date hereof Purchaser shall have the right of access to each and every part of the subject premises in person and by agents for all purposes including but not limited to prospective Purchaser, public officials, surveyors, etc. together with the right to invite or exclude third parties thereto and therefrom.

(6) **Clean Up Costs:** The parties agree that should Purchaser elect to do clean up of forest waste upon his portion of parcel #500 and sellers approve the costs thereof in advance, but Purchaser shall elect for any reason not to close the purchase of lot #500 then the costs and expenses of such clean up shall be

(NOT TO EXCEED \$20,000.00)
TWENTY THOUSAND DOLLARS
CM

reimbursed to Purchaser and sellers shall issue their good and sufficient deed of trust upon lot #502 to Purchaser to secure the payment of the same due upon sale of such parcel. If not sold after one year from date hereof then such obligation shall bear interest at the rate of seven (7) per cent per annum until paid.

(7) Addresses: Each party shall forward any notices or communications of any kind in relationship to this agreement in care of each at those addresses set forth on the last page of this agreement. It shall be the responsibility of each party to advise the other of any change of address.

(8) COSTS & ATTORNEY'S FEES: -- If either party shall be in default under this contract, the non-defaulting party shall have the right, at the defaulting party's expense, to retain an attorney or collection agency to make any demand, enforce any remedy, or otherwise protect or enforce its rights under this contract. The defaulting party hereby promises to pay all costs and expenses so incurred by the nondefaulting party, including, without limitation, court costs, increased costs of expert witnesses, collection agency charges, notice expenses, title search expenses, and reasonable attorneys' fees (with or without litigation), and the failure of the 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 to enforce any provisions of this contract, the prevailing party in such action shall be entitled to reimbursement by the losing party for its court costs, increased costs of expert witnesses 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 offset against any sum owed to the party liable in order of maturity, and shall bear interest at the default rate from the date of demand to and including the date of collection or the due date of any sum against which the same is offset.

(9) 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 set forth in the specific terms of the contract. Either party may change such address for giving and receiving notices and, unless payments are to be made to an escrow or collection account, the Sellers may change the address for payments, by designating the same to

the other party hereto in the manner herein above set forth and by causing a copy of such change to be properly recorded. All notices which are so addressed and paid for shall be deemed effective two (2) business days following the deposit thereof in the U. S. Mail, regardless of the actual date of receipt of such notice by the addressee. The addresses of the parties are set forth under their signatures affixed hereto. Purchaser agree that their failure to notify of a change of address as herein called for shall conclusively entitle Sellers to rely upon the address hereafter set forth for any and all purposes.

(10) 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.

(11) LEGAL RELATIONSHIPS: -- The parties to this contract execute the same solely as a sellers and as buyer. No partnership, joint venture or joint undertaking shall be construed from these presents, and except as herein specifically provided, neither party shall have the right to make any representations for, act on behalf of, or be liable for the debts of the other. All terms, covenants and conditions to be observed and performed by either of the parties hereto shall be joint and several if entered into by more than one person on behalf of such party, and a default by any one or more of such persons shall be deemed a default on the part of the party with whom said person or persons are identified. No third party is intended to be benefitted by this contract. Any married person executing this contract hereby pledges his or her separate property and marital communities, if any, in satisfaction hereof, unless by the terms hereof are expressly set forth on page one.

(12) APPLICABLE LAW -- This contract shall be governed and interpreted in accordance with the laws of the State of Washington and the venue of any action brought to interpret or enforce any provision of this contract shall be laid in the county in which the real property is situated. All sums herein referred to shall be calculated by and payable in the lawful currency of the United States.

(13) 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, supercedes all of their previous understandings and agreements, written or oral, with respect to this transaction. Neither the Sellers 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 by written instrument executed by the Purchaser and the Sellers subsequent to the date hereof.

IN WITNESS WHEREOF, the parties have hereunto set their hands as is below written by the Notaries Public with this agreement to have immediate force and effect from the date last signed by the last of the parties. Purchaser agrees to be bound upon the transmission to sellers of this last page showing his signature as evidenced by fax

Sellers

Edward J. Heffernan, Sr.

Edward J. Heffernan, Sr.

Aurora M. Heffernan

Aurora M. Heffernan

Whose Present Addresses Are:

MP 2.00 R. Duncan Crk. Rd.

Skamania, Wa. 98648

509-327-5851

Edward J. Heffernan, Jr.

Edward J. Heffernan, Jr.

Eugenia D. Heffernan

Eugenia D. Heffernan

Whose Present Addresses Are:

1250 Vista Avenue Southeast

Salem, Or. 97302

503-581-7523

Purchaser

Clifford F. McGuire

Clifford F. McGuire

1 Underhill Rd.

Mill Valley, Ca. 94941

415 383 4532

415 383 4535 FAX

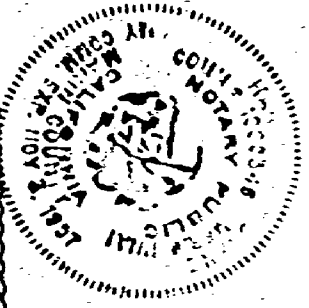
State of California

County of Marin

On May 20, 1994 before me, Harriet Liebreuz
DATE NAME, TITLE OF OFFICER - E.G. "JUDGE OF SUPERIOR COURT"

personally appeared Clifford F. McGuire
NAME(S) OF SIGNER(S)

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.
Harriet Liebreuz
SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
 - CORPORATE OFFICER
 - PARTNER(S)
 - ATTORNEY-IN-FACT
 - TRUSTEE(S)
 - GUARDIAN/CONSERVATOR
 - OTHER:
- TITLE(S)
- LIMITED
 - GENERAL

DESCRIPTION OF ATTACHED DOCUMENT

Real Estate Contract & Earnest Money Agreement
TITLE OR TYPE OF DOCUMENT

7
NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

SIGNER(S) OTHER THAN NAMED ABOVE