

SM 131524

BOOK 176 PAGE 939

FILED FOR RECORD AT THE REQUEST OF,
AND WHEN RECORDED RETURN TO:

Mark A. Erikson
Attorney at Law
1111 Main Street, Suite 610
Vancouver, Washington 98660-2914

FILED FOR RECORD
SALE OF LAND
BY *Alpine Quality Const.*
MAY 13 10 36 AM '98
O. Lavy
ALPINE QUALITY
GARY M. OLSON

RESCISSION OF REAL ESTATE CONTRACT

Grantor (Borrower): Lee H. Smith
Grantee (Lender): Alpine Quality Construction Services, Inc.
Grantee (Trustee): N/A *Complete Legal on p. 15*
Legal Description: TL's 200 & 300, SEX, S-25, T3N, R7E, W.M.
Assessor's Tax Parcel: 03-07-25-4-0200-00 & 03-07-25-4-0300-00
Related Documents: Real Estate Contract, Bk 163, p. 892,
AF #127736

This Rescission of Real Estate Contract (hereinafter referred to as the "Rescission") dated as of April 9, 1998, by and between Lee H. Smith, a Washington resident (hereinafter referred to as "Seller"), and Alpine Quality Construction Services, Inc., a Washington corporation (hereinafter referred to as "Purchaser").

RECITALS

Gary H. Martin, Skamania County Assessor
Date *5/12/98* Parcel # *3-7-25-4-000-000*

WHEREAS, Seller has entered into that certain Real Estate Contract dated March 27, 1997, filed for record on April 1, 1997 at Book 163, page 892 of the Records of Skamania County, Auditor's File No. 127736 (hereinafter referred to as the "Contract"), providing for the sale to Purchaser of that certain parcel or parcels of real property, comprising approximately twenty six (26) acres, commonly known as Assessor's Tax Parcels 200 and 300, located in the Southeast quarter of Section 25, Township 3 North, Range 7 East, Willamette Meridian, County of Skamania, State of

RESCISSION OF REAL ESTATE CONTRACT - 1

LAW OFFICES OF:
Mark A. Erikson
Sixth Floor, Main Place
1111 Main Street, Suite 610
Vancouver, WA 98660-2914
(360) 696-1012

SW

Washington (hereinafter referred to as the "Property"), as further described in said Real Estate Contract, a copy of which is annexed hereto as Exhibit A and incorporated herein by reference (hereinafter referred to as the "Property");

WHEREAS, Purchaser has previously paid to Seller the sum of ONE HUNDRED THOUSAND and 00/100's DOLLARS (\$100,000) applied to the principal balance of the Contract; and

WHEREAS, Purchaser and Seller now wish to rescind the Contract and to provide for the conveyance of a portion of the Property to Purchaser.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, Purchaser and Seller agree as follows:

1. Rescission. The Contract (as defined above) is hereby rescinded.

2. Conveyance. As partial consideration for this Rescission, and in consideration of all amounts previously paid under the Contract: (a) Seller shall immediately execute and deliver to Purchaser the Quitclaim Deed annexed hereto as Exhibit B, conveying to Purchaser all portions of the Property described in said Exhibit B; and (b) Seller shall immediately execute and tender to Purchaser the Quitclaim deed annexed hereto as Exhibit C, conveying to Elton Nead all portions of the property described in said Exhibit C.

3. Option to Purchase. As partial consideration for this Rescission, and in consideration of FIVE HUNDRED and 00/100's DOLLARS (\$500.00) in hand paid to Seller, receipt of which is hereby acknowledged, Purchaser shall have the option to purchase from Seller the parcels of property described in Exhibit D and Exhibit E annexed hereto and incorporated herein by reference. This option may be exercised only by providing written notice to Seller, on or before June 1, 2002, at the address provided in paragraph 5.6 (below). Within ten (10) days after exercise of this option, Purchaser and Seller shall execute and file in the Records of Skamania County, Real Estate Contracts in the form annexed hereto as Exhibit F and Exhibit G, providing for payments to Seller as follows:

Exhibit D: As to the property described in Exhibit D, paragraph 4(a) of the Real Estate Contract shall provide for a "Total Price" of ONE HUNDRED TWELVE THOUSAND, FIVE HUNDRED and 00/100's DOLLARS (\$112,500.00), and a "Down Payment" of

LAW OFFICES OF:
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13601 696-1012

RESCISSION OF REAL ESTATE CONTRACT - 2

ZERO DOLLARS (\$0); and paragraph 4(c) shall provide for payments to Seller of SEVEN HUNDRED FIFTY and 00/100's DOLLARS (\$750.00) per month including simple interest accruing at the rate of EIGHT PERCENT (8%) per annum, due and payable on the first day of each calendar month after the date of Purchaser's exercise of the option. The outstanding principal balance shall become due and payable on the fifth (5th) anniversary of Purchaser's exercise of the option. Paragraphs 27, 28, 29, 30, 31, and 32 shall not apply.

Exhibit E: As to the property described in Exhibit E, paragraph 4(a) of the Real Estate Contract shall provide for a "Total Price" of ONE HUNDRED TWELVE THOUSAND FIVE HUNDRED and 00/100's DOLLARS (\$112,500), and a "Down Payment" of ZERO DOLLARS (\$0); and paragraph 4(c) shall provide for payments to Seller of SEVEN HUNDRED FIFTY and 00/100's DOLLARS (\$750.00) per month including simple interest accruing at the rate of EIGHT PERCENT (8%) per annum, due and payable on the first day of each calendar month after the date of Purchaser's exercise of the option. The outstanding principal balance shall become due and payable on the fifth (5th) anniversary of Purchaser's exercise of the option. Paragraphs 27, 28, 29, 30, 31, and 32 shall not apply.

4. Water Rights. All conveyances contemplated by this Rescission shall include, without extra charge, any and all water rights appurtenant to the properties conveyed.

5. Miscellaneous.

5.1 Time of the Essence. Time is of the essence of this Rescission and each of its provisions.

5.2 Further Acts. Purchaser and Seller each agree to take such further action and to execute and deliver such further documents as may be reasonably necessary in order to carry out the terms of this Rescission. Seller shall cooperate with Purchaser by executing any applications required for subdivision and development of the Property. Purchaser and Purchaser's agents shall have the right to enter upon the Property for purposes of testing, surveying and engineering consistent with the purposes of this Rescission.

5.3 Successors and Assigns. Purchaser and/or Seller may assign this Rescission. All terms, provisions, and conditions of this Rescission shall be binding upon, inure to the benefit of, and be enforceable by the successors and assigns of the parties hereto.

LAW OFFICES OF:
Mark A. Edlson
Sixth Floor, Main Place
1111 Main Street, Suite 610
Vancouver, WA 98660-2914
(360) 696-1012

RESCISSION OF REAL ESTATE CONTRACT - 3

5.4 Entire Agreement. Except as explicitly incorporated herein by reference, this Rescission constitutes the entire agreement between Purchaser and Seller, and supersedes any and all prior agreements, written or oral, regarding the Property. Each party acknowledges that they are relying upon no representations by the other party except those contained or incorporated herein by reference. Neither this Rescission nor the Instruction herein be amended except by a subsequent written memorandum signed by the party to be charged.

5.5 Attorney Fees. In the event that legal action is commenced to enforce or interpret any provision of this Rescission or the Instruction, including any appeal thereof, the substantially losing party shall reimburse the substantially prevailing party for all costs and reasonable attorney fees incurred in connection therewith.

5.6 Notices. Any notice required or permitted by this Rescission shall be in writing and shall be deemed to have been properly given when (i) actually received or personally served, including without limitation facsimile transmittals, (ii) twenty four (24) hours after deposit with Federal Express or equivalent overnight delivery service, postage fully prepaid, or (iii) forty eight (48) hours after deposit in the United States mail, postage fully prepaid, registered or certified mail, return receipt requested, with a copy sent first class mail; addressed as follows:

To Seller:

Lee H. Smith
c/o Steve Hamilton
2016 "Z" Street, Suite 4
Vancouver, WA 98661

-or-

Lee H. Smith
c/o Janis Shodsky
19695 SW Limestone Court
Aloha, OR 97006-2500

To Purchaser:

Terry Ryan, President
Alpine Quality Construction, Inc.
16505 SE First Street, Suite 71
Vancouver, WA 98684

and, in either case, with a copy to:

LAW OFFICES OF:
Mark A. Erikson
Sixth Floor, Main Place
1111 Main Street, Suite 610
Vancouver, WA 98660 2914
(360) 696-1012

RESCISSION OF REAL ESTATE CONTRACT - 4

Mark A. Erikson
Attorney at Law
1111 Main Street, Suite 610
Vancouver, WA 98660-2914
Facsimile 699-4839

5.7 Severability. Should any provision of this Rescission be unenforceable or illegal, the remainder of this Rescission shall enforced according to its terms.

6. Attorney Review and Acceptance. By execution of this Rescission, Seller acknowledges that this Rescission was drafted for Purchaser by Mark A. Erikson, Attorney at Law. Seller represents and warrants that Seller has read and reviewed this Rescission with legal counsel, and fully understands each provision hereof.

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

"Purchaser"

By: Terry Ryan
Terry Ryan, President

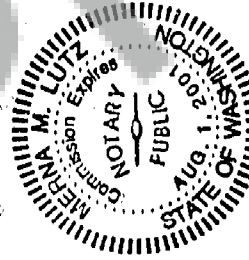
"Seller"

By: Lee H. Smith
Lee H. Smith

STATE OF WASHINGTON)
) ss.
County of Skamania)

I certify that I know or have satisfactory evidence that Lee H. Smith signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 4/10/98



Mark A. Erikson
Notary Public in and for the State of
Washington, residing at 1111 Main Street, Suite 610
My appointment expires: 1/1/01

LAW OFFICES OF:
Mark A. Erikson
Sixth Floor, Main Place
1111 Main Street, Suite 610
Vancouver, WA 98660-2914
(360) 696-1012

RESCISSON OF REAL ESTATE CONTRACT - 5

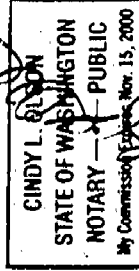
STATE OF WASHINGTON)
 County of _____) ss.

On this 17th day of April, 1998,
 before me, the undersigned, a Notary Public in and for the State of
 Washington, duly commissioned and sworn, personally appeared Terry
 Ryan, to me known to be the President of Alpine Quality
 Construction Services, Inc., that executed the foregoing
 instrument, and acknowledged the said instrument to be the free and
 voluntary act of said corporations, for the uses and purposes
 therein mentioned, and on oath stated that they are authorized to
 execute the said instrument by the Board of Directors of said
 corporation.

Witness my hand and official seal hereto affixed the day and
 year first above written.

By: Cindy L. Erickson

Notary Public in and for the State of
 Washington residing at Certified
 My appointment expires Nov 15 2000



LAW OFFICES OF
 Mart A. Erickson
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 1111 Main Street, Suite 610
 Vancouver, WA 98660-2914
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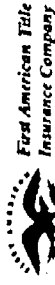
RESCISSION OF REAL ESTATE CONTRACT - 6

AFTER RECORDING MAIL TO:

First American Title Insurance
16701 S.E. McGilivray
Vancouver, WA 98683

EXHIBIT APage 1 of 9

Filed for Record at Request of
First American Title Insurance
Escrow Number: 968233CP
20496



First American Title
Insurance Company

REAL ESTATE CONTRACT

(RESIDENTIAL SHORT FORM)

Grantor(s): LEE H. SMITH

Grantee(s): ALPINE QUALITY CONSTRUCTION SERVICES INC

Abbreviated Legal: S25, T3N, R7E

Full Legal Description on Page 7

Assessor's Tax Parcel Number(s): 03-07-25-4-0-0200, FIRE PATROL, 03-07-25-4-0-0300, and FIRE PATROL

ANY OPTIONAL PROVISION NOT INITIALED BY ALL PERSONS SIGNING THIS CONTRACT --
WHETHER INDIVIDUALLY OR AS AN OFFICER OR AGENT -- IS NOT A PART OF THIS
CONTRACT.

1. PARTIES AND DATE: This Contract is entered into on March 27, 1997 between
LEE H. SMITH, an unmarried man

as "Seller" and ALPINE QUALITY CONSTRUCTION SERVICES, INC., a Washington
corporation

as "Buyer."

2. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Buyer and Buyer agrees to purchase from
Seller the following described real estate in SKAMANIA County, State of Washington:
See Attached Exhibit "A"

3. PERSONAL PROPERTY. Personal property, if any, included in the sale is as follows:
N/A

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

4. (a) PRICE. Buyer agrees to pay:
\$ 312,736.00 Total Price
Less (\$ 87,736.00) Down Payment
Less (\$ N/A) Assumed Obligation (s)
Results in \$ 225,000.00 Amount Financed by Seller

(b) ASSUMED OBLIGATIONS. Buyer agrees to pay the above Assumed Obligation(s) by assuming
and agreeing to pay that certain N/A (Mortgage: Deed of Trust, Contract) dated N/A recorded as N/A

APR N/A Seller warrants the unpaid balance of said obligation is \$ N/A
which is payable \$ N/A on or before the N/A day of N/A
N/A interest at the rate of N/A % per annum on the declining balance
thereof; and a like amount on or before the N/A day of each and every N/A
(month/year) thereafter until paid in full.

Note: Fill in the date in the following two lines only if there is an early cash out date.

Page 2 of 9
NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS DUE IN FULL NOT LATER THAN N/A, 19__.

ANY ADDITIONAL ASSUMED OBLIGATIONS ARE INCLUDED IN ADDENDUM.

(c) PAYMENT OF AMOUNT FINANCED BY SELLER.
Buyer agrees to pay the sum of \$ 225,000.00 as follows:
\$ 1,500.00 or more at buyer's option on or before the 1st day of
July, 1997, interest from June 1st, 1997 at the rate of 8.0000
(including fees) ONLY

% per annum on the declining balance thereof; and a like amount or more on or before the 1st day of each and every MONTH thereafter until paid in full.

Note: Fill in the date in the following two lines only if there is an early cash out date.
(month/year) ADDITIONAL TERMS ATTACHED HERETO.

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS DUE IN FULL NOT LATER THAN June 1st, 2002.

Payments are applied first to interest and then to principal. Payments shall be made at _____ 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 obligation(s), Seller may give written notice to Buyer that unless Buyer makes the delinquent payment(s) within fifteen (15) days, Seller will make the payment(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(s). 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.

6. (a) OBLIGATIONS TO BE PAID BY SELLER. The Seller agrees to continue to pay from payments received hereunder the following obligation, which obligation must be paid in full when Buyer pays the purchase price in full:
That certain N/A dated N/A recorded as AF # N/A
(change, Used of Trust, County)

ANY ADDITIONAL OBLIGATION TO BE PAID BY SELLER ARE INCLUDED IN ADDENDUM.

(b) EQUITY OF SELLER PAID IN FULL. If the balance owed the Seller on the purchase price herein becomes equal to the balance owed on prior encumbrances being paid by Seller, Buyer will be deemed to have assumed said encumbrances as of that date. Buyer shall thereafter make payments direct to the holders of said encumbrances and make no further payments to Seller. Seller shall at that time deliver to Buyer a fulfillment deed in accordance with the provisions of Paragraph 8.

(c) FAILURE OF SELLER TO MAKE PAYMENTS ON PRIOR ENCUMBRANCES. If Seller fails to make any payments on any prior encumbrance, Buyer may give written notice to Seller that unless Seller makes the delinquent payments within 15 days, Buyer will make the payments together with any late charge, additional interest, penalties, and costs assessed by the holder of the prior encumbrance. The 15-day period may be shortened to avoid the exercise of any remedy by the holder of the prior encumbrance. Buyer may deduct the amounts so paid plus a late charge of 5% of the amount so paid and any attorneys' fees and costs incurred by Buyer in connection with the delinquency from payments next becoming due Seller on the purchase price. In the event Buyer makes such delinquent payments on three occasions, Buyer shall have the right to make all payments due thereafter directly to the holder of such prior encumbrance and deduct the then balance owing on such prior encumbrance from the then balance owing on the purchase price and reduce periodic payments on the balance due Seller by the payments called for in such prior encumbrance as such payments become due.

7. OTHER ENCUMBRANCES AGAINST THE PROPERTY. The property is subject to encumbrances including the following listed liens, easements, restrictions, and reservations in addition to the obligations assumed by Buyer and the obligations being paid by Seller:

Subject to: Covenants, restrictions, easements, conditions, and reservations of record, if any.

ANY ADDITIONAL NON-MONETARY ENCUMBRANCES ARE INCLUDED IN ADDENDUM.

8. **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.

9. **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.

10. **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.

11. **POSSESSION.** Buyer is entitled to possession of the property from and after the date of this Contract or **PER PURCHASE AND SALE AGREEMENT** in Paragraph 7, whichever is later, subject to any tenancies described in Paragraph 7.

12. **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.

13. **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.

14. **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 any costs and attorney's fees incurred in connection with making such payment.

15. **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.

16. **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.

17. **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.

18. 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.

19. 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.

20. 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 cancelled; (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 the 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 attorney's 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 attorney's fees and costs.

(e) Judicial Foreclosure. Sue to foreclose this contract as a mortgage, in which event Buyer may be liable for a deficiency.

21. 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.

22. 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.

23. 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.

24. ATTORNEYS' FEES AND COSTS. In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorney's fees and costs, including costs of service of notices and title searches, incurred by the other party. 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 attorney's fees and costs incurred in such suit or proceedings.

25. 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 16503-A SE 1st STREET, STE. 21, VANCOUVER, WA, 98684

and to Seller at C/O STEVE HAMILTON 2016 Z ST., #4 VANCOUVER, WA 98661 or C/O JAMES SHODSKI, 19695 SV LIMESTONE CT., ALOHA OR 97008-2500

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.

26. TIME FOR PERFORMANCE. Time is of the essence in performance of any obligations pursuant to this Contract.

27. 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.

28. OPTIONAL PROVISION -- SUBSTITUTION AND SECURITY ON PERSONAL PROPERTY. Buyer may substitute for any personal property specified in Paragraph 3 herein other personal property of like nature which Buyer owns free and clear of any encumbrances. Buyer hereby grants Seller a security interest in all personal property specified in Paragraph 3 and future substitutions for such property and agrees to execute a financing statement under the Uniform Commercial Code reflecting such security interest.

SELLER	INITIALS:	BUYER
_____	N/A	_____

29. OPTIONAL PROVISION -- 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.

SELLER	INITIALS:	BUYER
_____	N/A	_____

30. OPTIONAL PROVISION -- DUE ON SALE. If Buyer, without written consent of Seller, (i) conveys, (ii) sells, (iii) leases, (iv) assigns, (v) contracts to convey, sell, lease or assign, (vi) grants an option to buy the property, (vii) permits a foreclosure 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 of 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 condormor agrees in writing that the provisions of this paragraph apply to any subsequent transaction involving the property entered into by the transferee.

SELLER	INITIALS:	BUYER
_____	N/A	_____

31. OPTIONAL PROVISION -- PRE-PAYMENT PENALTIES ON PRIOR ENCUMBRANCES. If Buyer elects to make payments in excess of the minimum required payments on the purchase price herein, and Seller, because of such prepayments, incurs prepayment penalties on prior encumbrances, Buyer agrees to forthwith pay Seller the amount of such penalties in addition to payments on the purchase price.

SELLER	INITIALS:	BUYER
_____	N/A	_____

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EXHIBIT A
Page 7 of 9

STATE OF WASHINGTON) 55
COUNTY OF CLALLAM

I certify that I know or have satisfactory evidence that TERRY N. RYAN
is the person who appeared before
me, and said person acknowledged that he signed this instrument, on oath stated that he is
authorized to execute the instrument and acknowledge it as the PRESIDENT
of ALPINE QUALITY CONSTRUCTION SERVICES, INC.
free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated:

CARITE PEEBLES
Notary Public in and for the State of WASHINGTON
Residing at VANCOUVER
My appointment expires: 11-9-00

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EXHIBIT A

ADDITIONAL TERMS Page 6 of 9

REAL ESTATE CONTRACT DATED MARCH 27, 1997 BETWEEN LEE H. SMITH AS "SELLER" AND ALPINE QUALITY CONSTRUCTION SERVICES, INC. AS "BUYER"

MINIMUM \$12,264 PLUS ACCURED INTEREST PER ACRE TO BE PAID UPON DEED RELEASE. SELLER WILL NOT WITHHOLD DEED RELEASES.

INTEREST ONLY PAYMENTS AT 8 (EIGHT) PERCENT TO BEGIN JULY 1, 1997.

BALANCE OF \$225,000.00 TO BE PAID IN A BALLOON PAYMENT IN 60 MONTHS OR LESS WITH NO EARLY PAYOFF PENALTY. (JUNE 1, 2002)

SELLER HEREBY GIVES PERMISSION TO THE BUYER TO REMOVE TIMBER FROM THE SUBJECT PROPERTY.

Lee H. Smith
LEE H. SMITH

Terry N. Ryan
ALPINE QUALITY CONSTRUCTION
SERVICES, INC.
BY: TERRY N. RYAN, PRESIDENT

EXHIBIT "A"

EXHIBIT A

Page 9 of 9

PARCEL I

A tract of land in the Southeast quarter of Section 25, Township 3 North, Range 7 East of the Willamette Meridian, in the County of Skamania, State of Washington described as follows:

Beginning at a point 40 chains North and 20 chains West of the Southeast corner of said Section 25; thence South 11 chains; thence East 2 chains; thence South 4 chains; thence West 2 chains; thence South 10 chains; thence East 8 chains; thence North 25 chains; thence West 8 chains to the place of beginning.

EXCEPT that portion conveyed to Skamania County by instrument recorded January 14, 1972, in Book 63, Page 667.

PARCEL II

A tract of land in the Southeast quarter of Section 25, Township 3 North, Range 7 East of the Willamette Meridian, in the County of Skamania, State of Washington described as follows:

Beginning at a point 40 chains North and 20 chains West of the Southeast corner of the said Section 25; thence West 5 chains; thence South 20 chains; thence East 5 chains; thence North 5 chains; thence East 2 chains; thence North 4 chains; thence West 2 chains; thence North 11 chains to the point of beginning.

EXCEPTING therefrom the following:

- A. That portion lying Southerly of the Center line of County Road.
- B. That portion conveyed to B. Sheldon Shurtz et. ux. by instrument recorded in Book 67, Page 121.
- C. That portion conveyed to Skamania County by instrument recorded in Book 63, Page 665.

FILED FOR RECORD AT THE REQUEST OF,
AND WHEN RECORDED RETURN TO:

Mark A. Erikson
Attorney at Law
1111 Main Street, Suite 610
Vancouver, Washington 98660-2914

EXHIBIT BPage 1 Of 4

STATUTORY QUITCLAIM DEED

Grantor (Borrower): Lee H. Smith
Grantee (Lender): Alpine Quality Construction Services, Inc.
Grantee (Trustee): N/A
Legal Description: TL's 200 (portion) & 300 (portion),
SE¼, S-25, T3N, R7E, W.M.
Assessor's Tax Parcel: 03-07-25-0-0200-00 (portion) &
03-07-25-0-0300-00 (portion)
Related Documents: N/A

The grantor Lee H. Smith, for and in consideration of a boundary line adjustment, hereby conveys and quitclaims to Alpine Quality Construction Services, Inc., all interest in the following described real estate, situated in the County of Skamania, State of Washington.

As described in Exhibit A annexed hereto and incorporated herein by reference.

Dated this _____ day of _____, 1998.

By: _____
Lee H. Smith

LAW OFFICES OF:
Mark A. Erikson
Sixth Floor, Main Place
1111 Main Street, Suite 610
Vancouver, WA 98660-2914
(360) 696-1012

STATUTORY QUITCLAIM DEED - 1

STATE OF WASHINGTON)
) ss.
County of Skamania)

EXHIBIT B
Page 2 of 4

I certify that I know or have satisfactory evidence that Lee H. Smith signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: _____

Notary Public in and for the State of
Washington, residing at _____
My appointment expires: _____

LAW OFFICES OF:
Mark A. Erlson
Sixth Floor, Main Place
1111 Main Street, Suite 610
Vancouver, WA 98660-2914
(360) 696-1012

STATUTORY QUITCLAIM DEED - 2



11815 NE 99th Street, Bldg. 12, Suite 1294 Vancouver, WA 98682 (360) 256-8008 FAX (360) 256-7267

EXHIBIT A

• Surveying • Environmental
• Engineering • Planning

Revised Legal Description for Old Tax Lot #302
For Boundary Line Adjustment
(As surveyed by Lawson Surveying and Engineering)

BEGINNING at a point on the North line of the Southeast one quarter Section 25, Township 3 North, Range 7 East, Willamette Meridian. Said point bears North 88°49'33" West, 1835.09 feet from the Northeast corner of said Southeast one quarter.

THENCE South 0°51'19" West, 292.19 feet parallel with the East line of said Southeast one quarter to a point on a 101.5 foot radius curve to the left which the cord bears South 78°47'22" East, 151.64 feet.

THENCE along said curve 151.78 feet.

THENCE South 0°51'19" West, 389.18 feet.

THENCE South 88°49'33" East, 470 feet parallel with said North line of said Southeast one quarter.

THENCE North 0°51'19" East, 373.79 feet.

THENCE North 75°33'51" West, 43.80 feet to the start of a 415 foot radius curve to the left which the cord bears North 78°02'45" West, 35.94 feet.

THENCE along said curve 35.95 feet.

THENCE North 0°51'19" East, 317.45 feet to a point on the North line of said Southeast one quarter.

THENCE North 88°49'33" West, 541.29 feet along said North line to the POINT OF BEGINNING.

Contains 8.1 acres.

Also together with a 30 foot easement for ingress, egress and utilities, being 15 feet on each side of the following described center line.

E:\WP\7\DATA\609\LEG\DES3.DOC

02/27/98

7

EXHIBIT B

Page A of A

COMMENCING at a point on the North line of the Southeast one quarter of Section 25, Township 3 North, Range 7 East, Willamette Meridian. Said point bears North $88^{\circ}49'33''$ West, 2333.07 feet from the Northeast corner of said Southeast one quarter. Said point being on the East right-of-way line of Kanaka Creek Road

THENCE South $18^{\circ}33'00''$ East, 46.09 feet along the East line of said Kanaka Creek Road.

THENCE South $17^{\circ}31'50''$ East, 51.29 feet along said East right-of-way line of Kanaka Creek Road to the POINT OF BEGINNING. Said point being on a 100 foot radius curve to the right which the cord bears South $83^{\circ}56'47''$ East, 81.85 feet.

THENCE along said curve 84.32 feet.

THENCE South $59^{\circ}47'22''$ East, 174.05 feet to the start of a 1000 foot radius curve to the left which the cord bears South $72^{\circ}20'41''$ East, 434.76 feet.

THENCE along said curve 438.26 feet.

THENCE South $84^{\circ}54'00''$ East, 325.67 feet to the start of a 400 foot radius curve to the right which the cord bears South $80^{\circ}13'55''$ East, 65.10 feet.

THENCE along said curve 65.18 feet.

THENCE South $75^{\circ}33'51''$ East, 274.72 feet to the terminus of this described center line. Said point being at the center of a 50 foot radius cul-de-sac.



FILED FOR RECORD AT THE REQUEST OF,
AND WHEN RECORDED RETURN TO:

Mark A. Erikson
Attorney at Law
1111 Main Street, Suite 610
Vancouver, Washington 98660-2914

EXHIBIT C

Page 1 of 5

STATUTORY QUITCLAIM DEED

Grantor (Borrower): Lee H. Smith
Grantee (Lender): Elton D. Nead & Patricia L. Nead
Grantee (Trustee): N/A
Legal Description: TL 300, SEX, S-25, T3N, R7E, W.M. (portion)
Assessor's Tax Parcel: 03-07-25-0-0300-00 (portion)
Related Documents: N/A

The grantor Lee H. Smith, for and in consideration of a boundary line adjustment, hereby conveys and quitclaims to Elton D. Nead and Patricia L. Nead, husband and wife, all interest in the following described real estate, situated in the County of Skamania, State of Washington.

As described in Exhibit A annexed hereto and incorporated herein by reference.

Dated this _____ day of _____, 1998.

By: _____
Lee H. Smith

STATUTORY QUITCLAIM DEED - 1

LAW OFFICES OF:
Mark A. Erikson
Sixth Floor, Main Place
1111 Main Street, Suite 610
Vancouver, WA 98660-2914
(360) 696-1012

STATE OF WASHINGTON)
) ss.
County of Skamania)

EXHIBIT C
Page 2 of 5

I certify that I know or have satisfactory evidence that Lee H. Smith signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: _____

Notary Public in and for the State of
Washington, residing at _____
My appointment expires: _____

STATUTORY QUITCLAIM DEED - 2

LAW OFFICES OF:
Mark A. Erlson
Sixth Floor, Main Place
1111 Main Street, Suite 610
Vancouver, WA 98660-2914
(360) 696-1012



11815 N.E. 99th Street, Bldg. 12, Suite 1234 Vancouver, WA 98682

EXHIBIT A

- Surveying
- Environmental
- Engineering
- Planning

(360) 256-8008 FAX (360) 256-7267

**Revised Legal Description for Lot 1 of the Nead Short Plat, Also Tax Lot 400
For Boundary Line Adjustment
(As Surveyed by Lawson Surveying and Engineering)**

BEGINNING at a point on the North line of the Southeast one quarter of Section 25, Township 3 North, Range 7 East, Willamette Meridian. Said point bears North 88°49'33" West, 1836.09 feet from the Northeast corner of said Southeast one quarter.

THENCE South 0°51'19" West, 292.19 feet parallel with the East line of said Southeast one quarter to a point on a 1015 foot radius curve to the left which the cord bears South 78°42'22" East, 151.64 feet.

THENCE along said curve 151.78 feet.

THENCE South 0°51'19" West, 389.18 feet.

THENCE South 88°49'33" East, 292.70 feet parallel with said North line of said Southeast one quarter.

THENCE South 0°51'19" West, 178.25 feet to a point on the North right-of-way line of Baker Road.

THENCE following said North right-of-way line the following described courses.

THENCE North 79°52'02" West, 153.49 feet to the start of 475 foot radius curve to the left which the cord bears North 79°15'56" West, 138.75 feet.

THENCE along said curve 139.25 feet.

THENCE North 01°36'16" East, 10.00 feet along a jog in the North line of said road to a point on a 485 foot radius curve to the left which the cord bears South 85°09'50" West, 120.85 feet.

THENCE along said curve 121.17 feet.

THENCE South 78°02'31" West, 129.24 feet to the start of a 265 foot radius curve to the right which the cord bears North 86°53'41" West, 137.74 feet.

①

THENCE along said curve 139.34 feet.

THENCE North $71^{\circ}49'53''$ West, 32.84 feet to the start of a 485 foot radius curve to the left which the cord bears North $72^{\circ}39'23''$ West, 13.96 feet.

THENCE along said curve 13.96 feet to a point on the East right-of-way line of Baker Spur Road.

THENCE North $19^{\circ}09'14''$ East, 54.00 feet along said East right-of-way line to the start of a 270 foot radius curve to the left which the cord bears North $10^{\circ}17'47''$ East, 83.15 feet.

THENCE along said curve 83.48 feet to a point on the South line of the Thompson Tract recorded in Book 65, page 191, Skamania County Records.

THENCE South $85^{\circ}37'32''$ East, 204.17 feet along the South line of said Thompson Tract to the Southeast corner thereof.

THENCE North $01^{\circ}55'52''$ West, 188.25 feet along the East line of said Thompson Tract to the Northeast corner thereof.

THENCE North $86^{\circ}53'22''$ West, 260.16 feet along the North line of said Thompson Tract to a point on the said East right-of-way line of said Baker Spur Road.

THENCE North $30^{\circ}43'03''$ West, 220.71 feet along said East right-of-way line of said Baker Spur Road to a point on the East right-of-way line of Kanaka Creek Road.

THENCE North $02^{\circ}45'08''$ West, 115.78 feet along said East right-of-way line of said Kanaka Creek Road.

THENCE continuing along the East line of said Kanaka Creek Road the following described courses:

THENCE North $17^{\circ}31'50''$ West, 174.15 feet.

THENCE North $18^{\circ}33'00''$ West, 46.09 feet to a point on said North line of said Northeast one quarter.

THENCE South $88^{\circ}49'33''$ East, 496.98 feet along said North line of said Southeast one quarter to the POINT OF BEGINNING.

Contains 8.5 acres

Also together with a 30 foot easement for ingress and egress and utilities, being 15 feet on each side of the following described center line:

EXHIBIT C

Page 5 of 5

COMMENCING at a point on the North line of the Southeast one quarter of Section 25, Township 3 North, Range 7 East, Willamette Meridian. Said point bears North 88°49'33" West, 2333.97 feet from the Northeast corner of said Southeast one quarter. Said point being on the East right-of-way line of Kanaka Creek Road.

THENCE South 18°33'00" East, 46.09 feet along the East line of said Kanaka Creek Road.

THENCE South 17°31'50" East, 51.29 feet along said East right-of-way line of Kanaka Creek Road to the POINT OF BEGINNING. Said point being on a 100 foot radius curve to the right which the cord bears South 83°56'47" East, 31.85 feet.

THENCE along said curve 84.32 feet.

THENCE South 59°47'22" East, 174.05 feet to the start of a 1000 foot radius curve to the left which the cord bears South 72°20'41" East, 434.76 feet.

THENCE along said curve 438.26 feet.

THENCE South 84°54'00" East, 325.67 feet to the start of a 400 foot radius curve to the right which the cord bears South 80°13'55" East, 65.10 feet.

THENCE along said curve 65.18 feet.

THENCE South 75°33'51" East, 274.72 feet to the terminus of this described center line. Said point being at the center of a 50 foot radius cul-de-sac.





• Surveying • Environmental
• Engineering • Planning

Surveying & Engineering, Inc.
John G. Lawson, PE, PLS

11815 NE 99th Street, 8663 12, Suite 1204 Vancouver, WA 98682 (360) 256-8008 FAX (360) 256-7267

**Revised Legal Description for Tax Lot #300
For Boundary Line Adjustment
(As surveyed by Lawson Surveying and Engineering)**

BEGINNING at a point on the North line of the Southeast one quarter of Section 25, Township 3 North, Range 7 East, Willamette Meridian. Said point bears North 88°49'33" West, 792.01 feet from the Northeast corner of said Southeast one quarter.

THENCE South 0°51'19" West, 906.00 feet parallel with the East line of said Southeast one quarter.

THENCE North 60°05'18" West, 233.36 feet.

THENCE North 67°38'55" West, 237.46 feet.

THENCE North 0°51'19" East, 373.79 feet.

THENCE North 75°33'51" West, 43.80 feet to the start of a 415 foot radius curve to the left which the cord bears North 78°02'45" West, 35.94 feet.

THENCE along said curve 35.95 feet.

THENCE North 0°51'19" East, 317.45 feet to a point on said North line of said Southeast one quarter.

THENCE South 88°49'33" East, 502.78 feet along said North line to the **POINT OF BEGINNING**.

Contains 8.3 acres.

Together with a 30 foot easement for ingress, egress and utilities, being 15 feet on each side of the following described center line:

COMMENCING at a point on the North line of the Southeast one quarter of Section 25, Township 3 North, Range 7 East, Willamette Meridian. Said point bears North 88°49'33" West, 2333.07 feet from the Northeast corner of said Southeast one quarter. Said point being on the East right-of-way line of Kanaka Creek Road.

EXHIBIT D
Page 2 of 2

THENCE South $18^{\circ}33'00''$ East, 46.09 feet along the East line of said Kanaka Creek Road.

THENCE South $17^{\circ}31'50''$ East, 51.29 feet along said East right-of-way line of Kanaka Creek Road to the POINT OF BEGINNING. Said point being on a 100 foot radius curve to the right which the cord bears South $83^{\circ}56'47''$ East, 81.85 feet.

THENCE along said curve 84.32 feet.

THENCE South $59^{\circ}47'22''$ East, 174.05 feet to the start of a 1000 foot radius curve to the left which the cord bears South $72^{\circ}20'41''$ East, 434.76 feet.

THENCE along said curve 438.26 feet.

THENCE South $84^{\circ}54'00''$ East, 325.67 feet to the start of a 400 foot radius curve to the right which the cord bears South $80^{\circ}13'55''$ East, 65.10 feet.

THENCE along said curve 65.18 feet.

THENCE South $75^{\circ}33'51''$ East, 274.72 feet to the terminus of this described center line. Said point being at the center of a 50 foot radius cul-de-sac.



EXHIBIT E
Page 1 of 2



Surveying & Engineering, Inc.
John G. Lawson, PE, PLS

11815 NE 99th Street, Box 12, Suite 1294 Vancouver, WA 98682

• Surveying • Environmental
• Engineering • Planning

(360) 256-8008 FAX (360) 256-7267

**Revised Legal Description for Tax Lot #200
For Boundary Line Adjustment
(As surveyed by Lawson Surveying and Engineering)**

COMMENCING at a point on the North line of the Southeast one quarter of Section 25, Township 3 North, Range 7 East, Willamette Meridian. Said point bears North 88°49'33" West, 792.01 feet from the Northeast corner of said Southeast one quarter.

THENCE South 0°51'19" West, 906.00 feet parallel with the East line of said Southeast one quarter to the **POINT OF BEGINNING**.

THENCE North 60°05'18" West, 233.36 feet.

THENCE North 67°38'55" West, 237.46 feet.

THENCE North 88°49'33" West, 177.30 feet, parallel with said North line of said Southeast one quarter.

THENCE South 0°51'19" West, 178.25 feet to a point on the North right-of-way line of Baker Road to the start of a 575 foot radius curve to the left which the cord bears South 78°09'38" East, 145.99 feet.

THENCE along said curve and said North right-of-way line 146.39 feet.

THENCE South 85°27'15" East, 63.04 feet along said North right-of-way line.

THENCE South 0°51'19" West, 50.12 feet to a half-inch iron rod with Lawson cap as set in survey recorded in Book 1, Page 3, Skamania County Records. Said point being the most Northerly point of that line established by boundary line agreement recorded in Book 168, Page 888, Skamania County Records.

THENCE continuing along said line as established in said boundary line agreement the following described courses:

South 0°51'19" West, 22.91 feet.

THENCE North 88°49'33" West, 152.19 feet.

BOOK 176 PAGE 966

EXHIBIT E
Page 2 of 2

THENCE South $01^{\circ}06'51''$ West, 329.06 feet to the most Southerly point of that line established in said boundary line agreement.

THENCE continuing South $01^{\circ}06'51''$ West, 328.79 feet.

THENCE South $89^{\circ}46'44''$ East, 551.20 feet.

THENCE North $09^{\circ}51'19''$ East, 732.71 feet to the POINT OF BEGINNING.

Contains 10.8 acres.



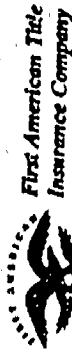
BOOK 176 PAGE 967

AFTER RECORDING MAIL TO:

First American Title Insurance
16701 S.E. McGillivray
Vancouver, WA 98683

EXHIBIT F
Page 1 of 6

Filed for Record at Request of
First American Title Insurance
Escrow Number:



REAL ESTATE CONTRACT
(RESIDENTIAL SHORT FORM)

Grantor(s): LEE H. SMITH

Grantee(s): ALPINE QUALITY CONSTRUCTION SERVICES INC

Abbreviated Legal: S25, T3N, R7E

Full Legal Description

Assessor's Tax Parcel Number(s): 03-07-25-4-0-0200, FIRE PATROL

ANY OPTIONAL PROVISION NOT INITIALED BY ALL PERSONS SIGNING THIS CONTRACT --
WHETHER INDIVIDUALLY OR AS AN OFFICER OR AGENT -- IS NOT A PART OF THIS
CONTRACT.

1. PARTIES AND DATE. This Contract is entered into on _____ between
LEE H. SMITH, an unmarried man _____

as "Seller" and ALPINE QUALITY CONSTRUCTION SERVICES, INC., a Washington
corporation _____

as "Buyer."

2. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Buyer and Buyer agrees to purchase from
Seller the following described real estate in _____ SKANANIA _____ County, State of Washington:
See Attached Exhibit "A"

3. PERSONAL PROPERTY. Personal property, if any, included in the sale is as follows:
N/A

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

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

Less	\$	Total Price
Less	(\$	) Down Payment
Results in	(\$	) Assumed Obligation (s)
	\$	Amount Financed by Seller.

(b) ASSUMED OBLIGATIONS. Buyer agrees to pay the above Assumed Obligation(s) by assuming
and agreeing to pay that certain _____ N/A _____ dated _____ N/A _____ recorded as

AF# _____ N/A _____ (Mortgage, Deed of Trust, Contract)
which is payable \$ _____ N/A _____ Seller warrants the unpaid balance of said obligation is \$ _____ N/A _____
N/A _____ on or before the _____ N/A _____ day of _____ N/A _____
N/A _____ interest at the rate of _____ N/A _____ % per annum on the declining balance
(including fees)

thereof; and a like amount on or before the _____ N/A _____ day of each and every _____ N/A _____
thereafter until paid in full. (month/year)

Note: Fill in the date in the following two lines only if there is an early cash out date.

EXHIBIT F

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF ~~PRINCIPAL AND INTEREST~~ 291,600.00 IS DUE IN FULL NOT LATER THAN N/A, 1991.

ANY ADDITIONAL ASSUMED OBLIGATIONS ARE INCLUDED IN ADDENDUM.

(c) PAYMENT OF AMOUNT FINANCED BY SELLER.

Buyer agrees to pay the sum of \$ _____ or more at buyer's option on or before the 1st day of _____, 1991, as follows:
 \$ _____ interest from _____ at the rate of 8.0000 ONLY
 (including fees)
 % per annum on the declining balance thereof; and a like amount or more on or before the 1st
 day of each and every MONTH thereafter until paid in full.

Note: Fill in the date in the following two lines only if there is an early cash out date.
 (month/year) ADDITIONAL TERMS ATTACHED HERETO.

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

Payments are applied first to interest and then to principal. Payments shall be made at _____ 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 obligation(s), Seller may give written notice to Buyer that unless Buyer makes the delinquent payment(s) within fifteen (15) days, Seller will make the payment(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(s). 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.

6. (a) **OBLIGATIONS TO BE PAID BY SELLER.** The Seller agrees to continue to pay from payments received hereunder the following obligation, which obligation must be paid in full when Buyer pays the purchase price in full:

That certain N/A dated N/A, recorded as AP# N/A
 (Mortgage, Deed of Trust, Contract)

ANY ADDITIONAL OBLIGATION TO BE PAID BY SELLER ARE INCLUDED IN ADDENDUM.

(b) **EQUITY OF SELLER PAID IN FULL.** If the balance owed the Seller on the purchase price herein becomes equal to the balance owed on prior encumbrances being paid by Seller, Buyer will be deemed to have assumed said encumbrances as of that date. Buyer shall thereafter make payments direct to the holders of said encumbrances and make no further payments to Seller. Seller shall at that time deliver to Buyer a fulfillment deed in accordance with the provisions of Paragraph 8.

(c) **FAILURE OF SELLER TO MAKE PAYMENTS ON PRIOR ENCUMBRANCES.** If Seller fails to make any payments on any prior encumbrance, Buyer may give written notice to Seller that unless Seller makes the delinquent payments within 15 days, Buyer will make the payments together with any late charge, additional interest, penalties, and costs assessed by the holder of the prior encumbrance. The 15-day period may be shortened to avoid the exercise of any remedy by the holder of the prior encumbrance. Buyer may deduct the amounts so paid plus a late charge of 5% of the amount so paid and any attorneys' fees and costs incurred by Buyer in connection with the delinquency from payments next becoming due Seller on the purchase price. In the event Buyer makes such delinquent payments on three occasions, Buyer shall have the right to make all payments due thereafter directly to the holder of such prior encumbrance and deduct the then balance owing on such prior encumbrance from the then balance owing on the purchase price and reduce periodic payments on the balance due Seller by the payments called for in such prior encumbrance as such payments become due.

7. **OTHER ENCUMBRANCES AGAINST THE PROPERTY.** The property is subject to encumbrances including the following listed tenancies, easements, restrictions, and reservations in addition to the obligations assumed by Buyer and the obligations being paid by Seller:

Subject to: Covenants, restrictions, easements, conditions, and reservations of record, if any.

EXHIBIT E
Page 3 of 6

ANY ADDITIONAL NON-MONETARY ENCUMBRANCES ARE INCLUDED IN ADDENDUM.

8. **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.

9. **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.

10. **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.

11. **POSSESSION.** Buyer is entitled to possession of the property from and after the date of this Contract or _____, whichever is later, subject to any tenancies described in Paragraph 7.

12. **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.

13. **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 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.

14. **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 any costs and attorney's fees incurred in connection with making such payment.

15. **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.

16. **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.

17. **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.

18. **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.

19. **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.

20. **DEFAULT.** If the Buyer fails to observe or perform any term, covenant, or condition of this Contract, Seller may:

(a) Sue 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. 6i.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 cancelled; (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 the 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 attorney's 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.

21. **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.

22. **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.

23. **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.

24. **ATTORNEYS' FEES AND COSTS.** In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorney's fees and costs, including costs of service of notices and title searches, incurred by the other party. 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 attorney's fees and costs incurred in such suit or proceedings.

25. **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 16505-A SE 1st STREET, STE. 71, VANCOUVER, WA 98684

and to Seller at C/O STEVE HAMILTON 2016 Z ST., #4 VANCOUVER, WA 98661 or
C/O JANIS SHODSKY, 19695 SW LIMESTONE CT., ALOHA OR 97006-2500

EXHIBIT FPage 5 of 6

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.

26. **TIME FOR PERFORMANCE.** Time is of the essence in performance of any obligations pursuant to this Contract.

27. **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.

28. **OPTIONAL PROVISION -- SUBSTITUTION AND SECURITY ON PERSONAL PROPERTY.** Buyer may substitute for any personal property specified in Paragraph 3 herein other personal property of like nature which Buyer owns free and clear of any encumbrances. Buyer hereby grants Seller a security interest in all personal property specified in Paragraph 3 and future substitutions for such property and agrees to execute a financing statement under the Uniform Commercial Code reflecting such security interest.

SELLER	INITIALS:	BUYER
_____	N/A	_____

29. **OPTIONAL PROVISION -- 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.

SELLER	INITIALS:	BUYER
_____	N/A	_____

30. **OPTIONAL PROVISION -- 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 foreclosure 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 of 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 condormor agrees in writing that the provisions of this paragraph apply to any subsequent transaction involving the property entered into by the transferee.

SELLER	INITIALS:	BUYER
_____	N/A	_____

31. **OPTIONAL PROVISION -- PRE-PAYMENT PENALTIES ON PRIOR ENCUMBRANCES.** If Buyer elects to make payments in excess of the minimum required payments on the purchase price herein, and Seller, because of such prepayments, incurs prepayment penalties on prior encumbrances, Buyer agrees to forthwith pay Seller the amount of such penalties in addition to payments on the purchase price.

SELLER	INITIALS:	BUYER
_____	N/A	_____

32. OPTIONAL PROVISION -- PERIODIC PAYMENTS ON TAXES AND INSURANCE. In addition to the periodic payments on the purchase price, Buyer agrees to pay Seller such portion of the real estate taxes and assessments and fire insurance premium as will approximately total the amount due during the current year based on Seller's reasonable estimate.

The payments during the current year shall be \$ _____ per
Such "reserve" payments from Buyer shall not accrue interest. Seller shall pay when due all real estate taxes and insurance premiums, if any, and debit the amounts so paid to the reserve account. Buyer and Seller shall adjust the reserve account in April of each year to reflect excess or deficit balances and changed costs. Buyer agrees to bring the reserve account balance to a minimum of \$10 at the time of adjustment.

SELLER	INITIALS:	BUYER
_____	N/A	_____

33. ADDENDA. Any addenda attached hereto are a part of this Contract.

34. ENTIRE AGREEMENT. This Contract constitutes the entire agreement of the parties and supercedes 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.

SELLER

BUYER

LEE H. SMITH

ALPINE QUALITY CONSTRUCTION SERVICES, INC.

TERRY N. RYAN, PRESIDENT

STATE OF WASHINGTON) SS
COUNTY OF CLARK)

I certify that I know or have satisfactory evidence that LEE H. SMITH

is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledge it to be his free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: _____

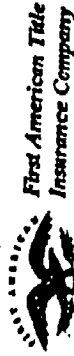
Notary Public in and for the State of WASHINGTON
Residing at VANCOUVER
My appointment expires: _____

AFTER RECORDING MAIL TO:

First American Title Insurance
16701 S.E. McGilivray
Vancouver, WA 98683

EXHIBIT GPage 1 of 6

Filed for Record at Request of
First American Title Insurance
Escrow Number:



First American Title
Insurance Company

REAL ESTATE CONTRACT (RESIDENTIAL SHORT FORM)

Grantor(s): LEE H. SMITH

Grantee(s): ALPINE QUALITY CONSTRUCTION SERVICES INC

Abbreviated Legal: S25, T3N, R7E

Full Legal Description

Assessor's Tax Parcel Number(s): 03-07-25-4-0-0200, FIRE PATROL

ANY OPTIONAL PROVISION NOT INITIALED BY ALL PERSONS SIGNING THIS CONTRACT --
WHETHER INDIVIDUALLY OR AS AN OFFICER OR AGENT -- IS NOT A PART OF THIS
CONTRACT.

1. PARTIES AND DATE. This Contract is entered into on _____ between
LEE H. SMITH, an unmarried man _____

as "Seller" and ALPINE QUALITY CONSTRUCTION SERVICES, INC., a Washington
corporation _____

as "Buyer."

2. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Buyer and Buyer agrees to purchase from
Seller the following described real estate in _____ County, State of Washington:
See Attached Exhibit "A"

3. PERSONAL PROPERTY. Personal property, if any, included in the sale is as follows:
N/A

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

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

Less	\$ _____	Total Price
Less	(\$ _____) Down Payment	
Results in	(\$ _____) N/A	
	(\$ _____) Assumed Obligation (s)	
	\$ _____ Amount Financed by Seller.	

(b) ASSUMED OBLIGATIONS. Buyer agrees to pay the above Assumed Obligation(s) by assuming
and agreeing to pay that certain _____ N/A _____ dated _____ N/A _____ recorded as

AF# _____ N/A _____ (Mortgage, Deed of Trust, Contract)
which is payable \$ _____ N/A _____ Seller warrants the unpaid balance of said obligation is \$ _____ N/A
N/A _____ on or before the _____ N/A _____ day of _____ N/A _____
N/A _____ interest at the rate of _____ N/A _____ % per annum on the declining balance
(including/plus)

thereof; and a like amount on or before the _____ N/A _____ day of each and every _____ N/A _____
thereafter until paid in full. (month/year)

Note: Fill in the date in the following two lines only if there is an early cash out date.

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS DUE IN FULL NOT LATER THAN N/A, 19 6 Page 2 of 6

ANY ADDITIONAL ASSUMED OBLIGATIONS ARE INCLUDED IN ADDENDUM.

(c) PAYMENT OF AMOUNT FINANCED BY SELLER.

Buyer agrees to pay the sum of \$ _____ or more at buyer's option on or before the 1st day of _____, 19 6 as follows:
 \$ _____ interest from _____ at the rate of 8.0000 % per annum on the declining balance thereof; and a like amount or more on or before the 1st day of _____ and every _____ thereafter until paid in full.
 (including fees) MONTHLY (month/year)

Note: Fill in the date in the following two lines only if there is an early cash out date.
 ADDITIONAL TERMS ATTACHED HERETO.

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

Payments are applied first to interest and then to principal. Payments shall be made at _____ of 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 obligation(s), Seller may give written notice to Buyer that unless Buyer makes the delinquent payment(s) within fifteen (15) days, Seller will make the payment(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(s). 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.

6. (a) OBLIGATIONS TO BE PAID BY SELLER. The Seller agrees to continue to pay from payments received hereunder the following obligation, which obligation must be paid in full when Buyer pays the purchase price in full:

That certain N/A dated N/A, recorded as AF # N/A
 (Mortgage, Deed of Trust, Contract)

ANY ADDITIONAL OBLIGATION TO BE PAID BY SELLER ARE INCLUDED IN ADDENDUM.

(b) EQUITY OF SELLER PAID IN FULL. If the balance owed the Seller on the purchase price herein becomes equal to the balance owed on prior encumbrances being paid by Seller, Buyer will be deemed to have assumed said encumbrances as of that date. Buyer shall thereafter make payments direct to the holders of said encumbrances and make no further payments to Seller. Seller shall at that time deliver to Buyer a fulfillment deed in accordance with the provisions of Paragraph 8.

(c) FAILURE OF SELLER TO MAKE PAYMENTS ON PRIOR ENCUMBRANCES. If Seller fails to make any payments on any prior encumbrance, Buyer may give written notice to Seller that unless Seller makes the delinquent payments within 15 days, Buyer will make the payments together with any late charge, additional interest, penalties, and costs assessed by the holder of the prior encumbrance. The 15-day period may be shortened to avoid the exercise of any remedy by the holder of the prior encumbrance. Buyer may deduct the amounts so paid plus a late charge of 5% of the amount so paid and any attorneys' fees and costs incurred by Buyer in connection with the delinquency from payments next becoming due Seller on the purchase price. In the event Buyer makes such delinquent payments on three occasions, Buyer shall have the right to make all payments due thereafter directly to the holder of such prior encumbrance and deduct the then balance owing on such prior encumbrance from the then balance owing on the purchase price and reduce periodic payments on the balance due Seller by the payments called for in such prior encumbrance as such payments become due.

7. OTHER ENCUMBRANCES AGAINST THE PROPERTY. The property is subject to encumbrances including the following listed tenancies, easements, restrictions, and reservations in addition to the obligations assumed by Buyer and the obligations being paid by Seller:

Subject to: Covenants, restrictions, easements, conditions, and reservations of record, if any.

ANY ADDITIONAL NON-MONETARY ENCUMBRANCES ARE INCLUDED IN ADDENDUM.

8. **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.

9. **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.

10. **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.

11. **POSSESSION.** Buyer is entitled to possession of the property from and after the date of this Contract or _____, whichever is later, subject to any tenancies described in Paragraph 7.

12. **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.

13. **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.

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(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 cancelled; (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 the 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 attorney's 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 attorney's fees and costs.

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24. **ATTORNEYS' FEES AND COSTS.** In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorney's fees and costs, including costs of service of notices and title searches, incurred by the other party. 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 attorney's fees and costs incurred in such suit or proceedings.

25. **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 16505-A SE 1st STREET, STE. 71,
VANCOUVER, WA 98684

and to Seller at C/O STEVE HAMILTON 2016 2 ST., #4 VANCOUVER, WA 98661 or
C/O JANIS SHODSKY, 19695 SW Limestone Ct., Aloha OR 97006-2500

EXHIBIT 6Page 5 of 6

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SELLER	INITIALS:	BUYER
_____	N/A	_____
_____		_____

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SELLER	INITIALS:	BUYER
_____	N/A	_____
_____		_____

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SELLER	INITIALS:	BUYER
_____	N/A	_____
_____		_____

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SELLER	INITIALS:	BUYER
_____	N/A	_____
_____		_____

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The payments during the current year shall be \$ _____ per _____. Such "reserve" payments from Buyer shall not accrue interest. Seller shall pay when due all real estate taxes and insurance premiums, if any, and debit the amounts so paid to the reserve account. Buyer and Seller shall adjust the reserve account in April of each year to reflect excess or deficit balances and changed costs. Buyer agrees to bring the reserve account balance to a minimum of \$10 at the time of adjustment.

SELLER	INITIALS:	BUYER
_____	N/A	_____
_____		_____

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34. ENTIRE AGREEMENT. This Contract constitutes the entire agreement of the parties and supercedes 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.

SELLER

BUYER

LEE H. SMITH

ALPINE QUALITY CONSTRUCTION SERVICES, INC.

TERRY N. RYAN, PRESIDENT

STATE OF WASHINGTON
COUNTY OF CLARK

SS

I certify that I know or have satisfactory evidence that LEE H. SMITH

is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: _____

Notary Public in and for the State of WASHINGTON
Residing at VANCOUVER
My appointment expires: _____