

139056

BOOK 202 PAGE 378

RETURN ADDRESS:

AUSTIN S. RISSORD  
828 N.W. 104TH LP.  
VANCOUVER, WA 98685

FILED FOR RECORD  
SKAMANIA CO. WASH

BY *Dan & Judie Lillegard*

SEP 6 11 12 AM '00

*G. H. Olson*  
AUDITOR  
GARY H. OLSON

Please Print or Type Information.

Document Title(s) or transactions contained therein:

1. REAL ESTATE CONTRACT

2.  
3.  
4.

GRANTOR(S) (Last name, first, then first name and initials)

1. LILLEGARD, DAN L AND JUDIE A, HUSBAND AND WIFE

2.  
3.  
4.

☐ Additional Names on Page \_\_\_\_\_ of Document.

GRANTEE(S) (Last name, first, then first name and initials)

1. RISSORD, AUSTIN S. AND LYNN, HUSBAND AND WIFE

2.  
3.  
4.

☐ Additional Names on Page \_\_\_\_\_ of Document.

LEGAL DESCRIPTION (Abbreviated: i.e., Lot, Block, Plat or Section Township, Range, Quarter Quarter)

SECTION 1, T2N, R7E

☐ Complete Legal on Page 1 of Document.

REFERENCE NUMBER(S) Of Document assigned or released:

☐ Additional Numbers on Page \_\_\_\_\_ of Document.

ASSESSOR'S PROPERTY TAX PARCEL/ACCOUNT NUMBER

02-07-01-1-0-2501-00

☐ Property Tax parcel ID is not yet assigned.

☐ Additional Parcel Numbers on Page \_\_\_\_\_ of Document.

The Auditor/Recorder will rely on the information provided on the form. The Staff will not read the document to verify the accuracy or completeness of the indexing information.

BOOK 202 PAGE 379

REAL ESTATE CONTRACT

And

CONTRACT FOR SALE OF BUSINESS ASSETS

DATED: ~~June~~ <sup>Sept</sup> 6, 2000

BETWEEN; DAN L. LILLEGARD and JUDIE A. LILLEGARD, husband and wife (hereinafter "Seller"), and AUSTIN S. RISJORD AND LYNN RISJORD, husband and wife, (hereinafter "Purchaser").

RECITALS: Gary H. Martin, Skamania County Assessor  
Date 9/6/00 Parcel # 2-7-1-1-2501

1. Seller owns the real property and business commonly known as "Dan's Auto Body" located in Skamania County, Washington, at 333 Highway 14, Stevenson, Washington 98648 and described as:

That portion of Section 1, Township 2 North, Range 7 E.W.M., described as follows: Beginning at a point on the south line of Second Street 602 feet south and 260 feet north 89° 06' west of the intersection of the west line of the Henry Shepard D.L.C. with the north line of the said Section 1; thence south 86 feet to the initial point of the tract hereby described; thence north 86 feet to a point on the south line of Second Street; thence north 89° 06' west 50 feet; thence south 110 feet; thence east 32 feet; thence south 34 feet, more or less, to the northerly right of way line of State Road 14; thence northeasterly along said right of way line to a point east of the initial point; thence west 40 feet, more or less, to the initial point.

Together with an easement for the use, maintenance, and repair of the existing blower system 8 feet by 14 feet in size as now installed against the west wall of the existing body shop building on said premises.

Seller owns inventory, equipment, and miscellaneous assets used in connection with the operation of its business.

2. Seller desires to sell and Purchaser desires to purchase the real property above described together with the business inventory, equipment, fixtures, tools, good will and sellers covenant not to compete.

REAL ESTATE EXCISE TAX  
21050

SEP - 6 2000

PAID \$1836.00

Page 1 - REAL ESTATE CONTRACT etc.  
/BuckM.Lillegard Sale Agreement.doc Rev. 6.8.00.01

14 *[Signature]*  
SKAMANIA COUNTY TREASURER

000529



**AGPEEMENT:**

**SECTION 1 - ASSETS PURCHASED**

Assets Purchased. Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller on the terms and conditions set forth in this Contract, the following assets ("Assets"):

Inventory  
Furniture, fixtures and equipment  
Goodwill  
Covenant not to compete  
Real property

**SECTION 2 - PURCHASE PRICE; PAYMENT**

2.1. Total Purchase Price: Purchaser promises to pay Seller as the total purchase price for the real property and the business assets (referred to cumulatively as "the property") the sum of One Hundred Twenty Thousand and 00/100 Dollars (\$120,000.00).

2.2. Allocation of Purchase Price: The purchase price for the Assets is allocated as follows:

2.2.1	Inventory, tools and equipment	\$	4,000.00
2.2.2	Furniture & Fixtures and other personal property	\$	1,000.00
2.2.3	Goodwill	\$	1,000.00
2.2.4	Covenant not to compete	\$	4,000.00
2.2.5	Real Property	\$	<u>110,000.00</u>
	<b>TOTAL</b>	\$	<b>120,000.00</b>

2.3. Payment of Purchase Price: The price for the assets shall be paid as follows:

2.3.1 The sum of Ten Thousand and 00/100 Dollars (\$10,000.00) shall be paid at closing, for the down payment. Said sum shall be allocated to pay at closing those items listed in sub-section 2.1, 2.2, 2.3 and 2.4.

2.3.2 The balance of the purchase price in the amount of One Hundred Ten Thousand and 00/100 Dollars (\$110,000.00), together with interest at nine percent (9%) per annum, shall be paid as follows: Buyers shall pay payments of One Thousand and 00/100 Dollars (\$1000.00) per month for 48 months or until June 1, 2005 when the balance shall be paid in full, including interest, with the first payment due on or before June 1, 2000, and subsequent installments due on the same day of every month thereafter until the entire principal balance, including accrued interest and late payments shall have been paid in full. Payments shall first be applied to any amounts paid by Seller on Purchaser's behalf to third parties (for instance, for payments for taxes or insurance that Purchaser may have failed to pay), then to late fees, then to accrued interest, and finally to principal.

2.4 Prepayments: Purchaser may prepay all or any portion of the unpaid principal without penalty. All prepayments shall be applied to the last installment due under this Contract and shall not excuse Purchaser from making the regular payments due under the Contract until the remaining balance has been paid in full.

2.5 Place of Payments: All payments to Seller shall be made to Riverview Community Bank, Stevenson, Washington Branch, as Escrow, P.O. Box 10, Stevenson, Washington, 97848, or to such other place or person that Seller may designate by written notice to Purchaser.

2.6 Payments to Third Parties: In the event Purchaser fails to pay when due any amounts required of Purchaser to be paid to third parties under this Contract, Seller may pay any or all such amounts. If Seller makes any such payments, the amounts so paid shall be immediately due and payable. Until paid, such amounts shall be secured by this Contract and shall bear interest at 9% per annum. Seller's election to make any payments pursuant to this paragraph shall not constitute a waiver of Seller's rights to declare Purchaser to be in default of this Contract and to exercise any remedies set forth in Section 11.

### SECTION 3 - TAXES AND LIENS

3.1 Obligation to Pay: Purchaser assumes and agrees to pay before delinquency all taxes and assessments, including but not limited to relevant sales taxes, employment taxes, state lottery royalties (if applicable) and any governmental improvement assessments or charges that may become a lien on said real estate. In the event Purchaser fails to pay when due any amounts required of Purchaser to be paid to third parties under this Contract, Seller may pay any or all such amounts. If Seller makes any such payments on Purchaser's behalf, the amounts so paid shall be immediately due and payable from Purchaser to Seller. Until paid, such amounts shall be secured by this Contract and shall bear interest at the Contract rate as set forth in Section 2.2.3 above. Seller's election to make any payments pursuant to this paragraph shall not constitute a waiver of Seller's rights to declare Purchaser to be in default of this Contract and to exercise any remedies set forth in Section 11.



3.2 No Liens Shall Attach. Purchaser shall not permit any liens to attach to the assets being purchased, whether voluntary or involuntary, and Purchaser shall promptly pay any contractors or materialmen to avoid any statutory construction liens.

#### SECTION 4 - CLOSING

4.1 Closing Date: As used in this Contract the "Closing Date" shall mean the date on which all documents are recorded and the sale proceeds are available to Seller. The sale shall be closed by the parties without an escrow.

4.2 Closing Costs: The costs of closing shall be equally divided between the Purchaser and the Seller.

4.3 Responsibilities of Parties: At closing, Purchasers shall pay the amount of cash specified in Paragraph 2.3.1 above and Seller shall sign this Contract of Sale, deliver possession of the Property as provided herein and upon payment in full of the contract balance deliver to Purchasers a good and sufficient Deed to the real estate and at closing a Bill of Sale to the personal property.

4.4 Proration. The operation of Seller's business and related income and expenses up to the close of business on the 1st day of May, 2000 shall be for the account of Seller and thereafter for the account of Purchaser. Expenses, including but not limited to utilities and personal property taxes, shall be prorated between Seller and Purchaser as of the close of business on the 1st day of May, 2000, the proration to be made and paid insofar as reasonably possible on the 1st day of May, 2010. The parties also agree to share equally any and all fees necessary to close this transaction. Any attorney fees incurred to review the transaction will be paid by the party incurring such fees to close this transaction.

#### SECTION 5 - POSSESSION

The Purchaser shall be entitled to possession of the property from and after May 1, 2000 and to retain possession so long as Purchaser is not in default hereunder; provided, however, that Seller and Seller's agents may enter upon the property during normal business hours (after giving reasonable notice to Purchasers) for the purpose of inspecting the property.

#### SECTION 6 - DISCLAIMER OF SECURITY INTEREST IN PERSONAL PROPERTY

6.1 The parties agree that all personal property will be paid for at closing and therefore there will be no security interest in the seller to personal property and Sellers agree to look to the Real Estate Contract as their security for the unpaid purchase price.



6.2 Purchaser will pay, when due, all taxes, license fees and assessments relative to the Collateral and its use. Should Purchaser fail in his performance of any of the foregoing, the Seller may pay any obligation that attaches to the property that he deems to impair his security, he may order and pay for the repair, maintenance and preservation of the Collateral or any part he, may place and pay for any such insurance and he may pay any such taxes, fees or assessments.

6.3 The Purchaser agrees to notify the Seller promptly in writing of any change in Purchaser's address.

#### SECTION 7 - MAINTENANCE OF IMPROVEMENTS AND FIXTURES

7.1 Maintenance of Improvements: Purchaser covenants to keep any improvements and fixtures on the real estate in good repair, not to permit waste and not to use, or permit the use of, the real estate for any illegal purpose. Purchaser covenants to pay all service, installation or construction charges for water, sewer, electricity, garbage or other utility services furnished to said real estate after the date Purchaser is entitled to possession.

7.2 Compliance with Laws: Purchaser shall promptly comply with all laws, ordinances, regulations, directions, rules and other requirements of all governmental authorities applicable to the use or occupancy of the property and in this connection promptly make all required repairs, alterations, and additions. In particular, Purchaser shall abide by all laws, rules and regulations of the Environmental Protection Agency and other governmental units regarding the storage, dumping or creation of hazardous or toxic wastes on the property.

#### SECTION 8 - INSURANCE

8.1 Property Damage Insurance: Purchaser agrees to keep any improvements or future improvements located on the property insured on a replacement cost basis against loss or damage by fire, windstorm, and all other casualties covered by "all risk" or extended coverage endorsements available in the State of Washington in an amount equal to the full insurance value thereof, on the initial and renewal policy dates, with a company acceptable to Seller and with loss payable to Seller and Purchaser as their respective interests may appear. The policy shall be written in such form with such terms and by such insurance companies as are reasonably acceptable to Seller. Purchaser shall deliver to Seller certificates of coverage from each insurer containing a stipulation that coverage will not be canceled or diminished without a minimum of ten (10) days written notice to Seller. In the event of loss, Purchaser shall give immediate notice to Seller. Seller may make proof of loss if Purchaser fails to do so within thirty (30) days of the casualty.

8.2 Liability Insurance: During the term of this Contract, Purchaser shall maintain public liability and property damage insurance with single limits of not less than Three Hundred Thousand Dollars (\$300,000.00) for loss to property and/or personal injury. Such insurance shall cover all risks arising directly or indirectly out of Purchaser's activities on or any condition of the



property, whether or not related to an occurrence caused or contributed by Seller's negligence, and shall protect Seller and Purchaser against claims of third persons. Such policies shall be written in such form, with such terms and by such insurance companies as are reasonably acceptable to Seller.

8.3 Purchaser's Report on Insurance: Within thirty (30) days after any written request by Seller, Purchaser shall furnish to Seller a copy of each existing policy of insurance plus declaration page showing:

- (a) The name of the insurer;
- (b) The risks insured;
- (c) The expiration date of the policy.

#### SECTION 9 - COVENANTS OF PURCHASER AND SELLER

9.1 Covenants of Purchaser: Purchaser hereby represents and covenants, and warrants to Seller the following:

9.1.1 Purchasers are married. Purchasers have the authority to purchase this property from Seller and to bind both Purchasers to all the terms and conditions of this Contract.

9.1.2 There is no judgment, litigation, action, suit, or proceeding pending or, to Purchaser's knowledge, threatened against Purchaser or affecting the Property nor is there any basis for such proceeding which, if adversely determined, might affect the use or operation of the Property for its intended purpose or the value of the Property, adversely affect Purchaser's ability to perform its obligations under this Contract, or attach as a lien on the property.

9.1.3 Purchaser will use his best efforts to effectuate the transactions contemplated by this Contract and to fulfill all the conditions of Purchaser's obligations under this Contract, and shall do all acts and things as may be required to carry out Purchaser's obligations and to consummate this Contract.

9.1.4 Purchaser will use his best efforts to promptly fulfill all of his obligations under this Contract.

9.1.5 Receipt of Disclosure Statement. Buyer agrees that he has received from Seller a real property Disclosure Statement as required by Washington Law.

9.2 Covenants of Seller: Seller hereby represents and covenants to Purchaser the following:

9.2.1 Seller has the authority to convey the Property to Purchaser. This Contract has been duly authorized, executed, and delivered by Seller and does not violate any



provision of any agreement to which Seller is a party or to which Seller or the Property is subject.

9.2.2 Seller has not received any notice of any violation of any law, ordinance, order, rule, regulation, or requirement affecting the Property, and Seller knows of no fact which would constitute grounds for receiving any such notice.

9.2.3 Litigation. Seller has no knowledge of any claim, litigation, proceeding, or investigation pending or threatened against Seller that might result in any material adverse change in the business or condition of the Assets being conveyed under this Contract.

9.2.4 Deed: Seller agrees, upon receiving full payment of the purchase price and interest in the manner above specified, to execute and deliver to Purchaser a statutory warranty fulfillment deed to said real estate, excepting any part thereof hereafter taken for public use, free of encumbrances except any underlying mortgage or lien which Seller has agreed to pay, any that may attach after date of closing through any person other than the Seller, and subject to the exceptions noted in the Section concerning title insurance.

9.2.5 Commissions. The parties hereby warrant that no fees or commissions are owed to brokers as a result of this transaction.

9.2.6 Seller's Covenant Not to Compete. Seller hereby covenants not to own, operate or otherwise work in the body and fender business within ten (10) miles of the business address for a period of three years from the date of this agreement.

#### SECTION 10 - - DEFAULT

10.1 Events of Default: Time of both payment and performance is of the essence of this Contract. A default shall occur under any of the following circumstances:

- (a) Failure of Purchaser to make any payment within 10 days of its due date;
- (b) Failure of Purchaser to cure any other breach of this agreement within ten (10) days after notice from Seller specifying the nature of the default. However, if the nature of the breach is such that it cannot be reasonably cured within ten days, the Purchaser shall have additional time to cure the breach so long as Purchaser diligently prosecutes the cure of the breach. No notice of default and no opportunity to cure shall be required if during a twelve (12) month period prior to said default Seller has already sent a notice to Purchasers concerning default in the performance of the same obligation;



- (c) Dissolution, termination of existence, insolvency or business failure of Purchaser; the commencement by Purchaser of a voluntary case under the Federal Bankruptcy Laws or under other Federal or State Law relating to insolvency or debtor's relief; the entry of a decree or order for relief against Purchaser in an involuntary case under the Federal Bankruptcy Law or under any other applicable Federal or State Law relating to insolvency or debtor's relief; the appointment or the consent by Purchaser to the appointment a Receiver, Trustee or Custodian of Purchaser or of any of Purchaser's property; an assignment for the benefit of creditors by Purchaser or Purchaser's failure generally to pay its debts as such debts become due;
- (d) The making or suffering by Purchaser of a fraudulent transfer under applicable Federal or State Law; concealment by Purchaser or any of its property from creditors, or the imposition of a lien through legal proceeding or distraint upon any of the property of Purchaser. This clause does not apply to government liens imposed for the improvement of the property or of the district or area in which the property is located, such as for street lighting, sewer extensions, street improvements, and the like;
- (e) The dumping, storage or creation of any hazardous or toxic waste on the property in violation of environmental law;

101.2 Remedies on Default: In the event of a default, Seller may take any one or more of the following steps and make exercise more than one remedy concurrently:

- (a) Acceleration; Suit for Delinquencies. Seller may declare the full unpaid balance of this Contract immediately due and payable institute suit for the full unpaid balance or any installments or other sums then due and payable under this agreement together with any sums advanced by seller for and the amount of any delinquencies for items such as water assessments, taxes, insurance, payments and underlying obligations and lienable items, together with interest thereon at the rate of 12% per annum from the date each such payment was advanced or due, as the case may be.
- (b) Forfeiture and Repossession. The Seller may cancel and render void all rights, title and interests of the Purchaser and his successors in this contract and in the property (including all of Purchaser's then existing rights, interests and estates therein and improvements thereon) by giving a Notice of Intent to Forfeit pursuant to RCW 61.30.040-070, and said cancellation and forfeiture shall become effective if the default therein specified has not been fully



cured within ninety (90) days thereafter and the Seller records a Declaration of Forfeiture pursuant to RCW 61.30.040-070. Upon the forfeiture of this contract, the Seller may retain all payments made hereunder by the Purchaser and may take possession of the property ten (10) days following the date this contract is forfeited and summarily eject the Purchaser and any person or persons having possession of the said property by, through or under the Purchaser who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture. In the event the Purchaser or any person or persons claiming by, through or under the Purchaser who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture remain in possession of the property more than ten (10) days after such forfeiture, the Purchaser, or such person or persons, shall be deemed tenants at will of the Seller and the Seller shall be entitled to institute an action for summary possession of the property, and may recover from the Purchaser or such person or persons in any such proceeding the fair rental value of the property for the use thereof from and after the date of forfeiture, plus costs, including the Seller's reasonable attorneys' fees.

- (c) Specific Performance. Seller may institute suit to specifically enforce any of the Purchaser's covenants hereunder.
- (d) Property Rental. In the event this contract is forfeited as herein provided, or in any other manner permitted by law, or by mutual agreement of the Purchaser and Seller, and the Purchaser shall thereafter remain in possession of the property beyond any period otherwise permitted by law, the Purchaser agrees that he will occupy the property as a tenant at will, and the Purchaser shall be obligated to pay, and hereby promise to pay, during the period of such tenancy at will, a fair market rental in the amount then agreed to by the parties or, in the absence of such agreement or until such agreement is reached, an amount equal to two (2) times the installment amount as and when provided for in the specific terms hereof, and the Seller shall have, in addition to all other remedies for the collection of rentals and the recovery of possession that are available to landlords under the laws of the State of Washington, the right to institute an action for summary possession of the property as provided by law.
- (e) To have a receiver appointed as a matter of right and without bond.

10.3 Remedies Non Exclusive/No Waiver/Attorney Fees. The waiver of Seller to elect to pursue any of the above remedies at any time upon a breach of any of the terms of this contract by the Purchaser shall be deemed only an indulgence by the Seller with regard to that particular breach and shall not be construed, in any manner whatsoever, to be a waiver of any right of Seller to pursue any of the above remedies for the same or a different breach at a subsequent time; election of the

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Seller to utilize any particular remedy to enforce a breach of this contract shall not preclude Seller from electing to use an alternate remedy to enforce a subsequent breach. The remedies stated herein are cumulative and not mutually exclusive. Any delay or failure of Seller to take action upon default shall not be construed as a waiver of said default. If Seller is required to institute legal action to enforce any of the remedies indicated, Purchaser agrees to pay Seller's costs and reasonable attorneys' fees incurred in such proceeding and any appeal thereof.

10.4 Purchaser's Remedies: In the event Seller should default in any of his obligations under this contract and such default continues for fifteen (15) days after the Purchaser gives the Seller written notice specifying the nature thereof and the acts required to cure the same, the Purchaser shall have the right to specifically enforce this contract, institute suit for his damages caused by such default, or pursue any other remedy which may be available to Purchaser at law or in equity.

#### SECTION 11 - REPRESENTATION; CONDITION OF PROPERTY

Purchaser acknowledges that he has entered into this Contract on the basis of his own physical examination, personal knowledge, and opinion of the value of the business and the condition of the inventory, equipment and real estate (including prior use of the property and existence of Hazardous Substances on the premises). Purchaser has not relied upon any representations made by Seller or Seller's agents other than those specified in this Contract. Purchaser further acknowledges that Seller has made no agreement or promise to repair or improve any of the improvements, equipment, or other real or personal property being sold to Purchaser under this Contract, and Purchaser takes all such property AS IS in the condition existing on the date of this Contract, except as otherwise provided in the Contract. Purchaser is expressly responsible for obtaining any and all licenses and permits necessary for him to operate a body and fender shop.

#### SECTION 12 - INDEMNIFICATION

12.1 Purchaser agrees to defend, indemnify, and hold Seller harmless from and against:

12.1.1 Any and all claims, liabilities and obligations of every kind and description, contingent or otherwise, arising out of or relating to the operation of the business following closing, or arising out of Purchaser's failure to perform obligations of Seller assumed by Purchaser pursuant to this Contract.

12.1.2 Any and all damage or deficiency resulting from any material misrepresentation, breach of warranty or covenant, or nonfulfillment of any agreement on the part of Purchaser under this Contract.

12.1.3 Any suits, actions, legal or administrative proceedings, demands, claims, liabilities, fines, penalties, losses, injuries, damages, expenses, or costs, including interest

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and attorney's fees, in any way connected with any injury to any person or damage to any property (including costs of studies, surveys, clean-up and any other environmental claim expenses) or any loss to Seller occasioned in any way by Hazardous Substances on the property or by the negligent or intentional activities of Buyer, before, during or after Buyer's acquisition of the property.

12.2 Seller agrees to indemnify and hold Purchaser harmless and Purchaser's successors and assigns harmless from and against:

12.2.1 Any and all claims, liabilities and obligations of every kind and description, contingent or otherwise, arising out of or related to the operation of Seller's business prior to the close of business on the day before the closing date, except for claims, liabilities, and obligations of Seller expressly assumed by Purchaser under this Contract or paid by insurance maintained by Seller or Purchaser.

12.2.2 Any and all damage or deficiency resulting from any material misrepresentation, breach of warranty or covenant, or nonfulfillment of any agreement on the part of Seller under this Contract.

12.2.3 Any suits, actions, legal or administrative proceedings, demands, claims, liabilities, fines, penalties, losses, injuries, damages, expenses, or costs, including interest and attorney's fees, in any way connected with any injury to any person or damage to any property (including costs of studies, surveys, clean-up and any other environmental claim expenses) or any loss to Buyer occasioned in any way by Hazardous Substances on the property or by the negligent or intentional activities of Seller, before, during or after Seller's sale of the property.

#### SECTION 13 - FILING OF TAX FORM 8594

The parties understand and have been advised that they may have to file Tax Form 8594 with the U.S. Internal Revenue Service. The parties acknowledge that the attorney drafting this Contract has not expressed any opinion with respect to the value of the assets being sold under this Contract and has advised the parties to seek a professional appraisal to determine the value of the assets.

#### SECTION 14 - SUCCESSOR INTERESTS

The rights hereby granted are personal to the Purchaser and Seller's reliance upon Purchaser's ability and integrity is a part of the consideration for this contract. Neither this contract nor any interest therein, nor the possession of the property, may be assigned or transferred by Purchaser, nor shall Purchaser make or enter into any contract for the sale of the property or any interest therein, without the prior written consent of Seller.



**SECTION 15 - PRIOR AND SUBSEQUENT AGREEMENTS**

This document is the entire, final and complete agreement of the parties pertaining to the state and purchase of the property, and supersedes and replaces all prior or existing written and oral agreements (including any earnest money agreements) between the parties or their representatives relating to the property. No supplement, modification, or amendment of this Contract shall be binding unless executed in writing by all parties.

**SECTION 16 - NOTICE**

Any notice under this Contract shall be in writing and shall be effective when deposited in the United States Mail, registered or certified, postage prepaid and addressed to the party at their last known address stated in this Contract or such other address as either party may designate by written notice to the other, or upon actual receipt by the party entitled to said notice by personal service, or by a delivery service such as Federal Express or United Parcel Service.

**SECTION 17 - APPLICABLE LAW**

This Contract has been entered into in the State of Washington and the property is located in Washington. The parties agree that the laws of the State of Washington shall be utilized in construing this Contract and enforcing the rights and remedies of the parties.

**SECTION 18 - NUMBER, GENDER, AND CAPTIONS**

As used herein, the singular shall include the plural, and the plural the singular. The masculine and neuter shall each include the masculine, feminine and neuter, as the context requires. All captions used herein are intended solely for the convenience of reference and shall in no way limit any of the provisions of this Contract.

**SECTION 19 - SURVIVAL OF COVENANTS, REPRESENTATIONS AND WARRANTIES**

Any covenants, representations and warranties the full performance of which is not required prior to the closing or final payment of the purchase price, shall survive the closing and the final payment of the purchase price and be fully enforceable thereafter in accordance with the terms.

**SECTION 20 - SEVERABILITY**

If in any judicial proceeding a court shall refuse to enforce all of the provisions of this Contract, any unenforceable provision shall be deemed eliminated from the Contract for the purpose of such proceeding as is necessary to permit the remainder of the Contract to be enforced in such proceeding.



**SECTION 21 - DISCLAIMER OF REPRESENTATION**

This Contract was prepared by Purchaser's attorney, Robert K. Leick who represents Purchaser's interests alone in this transaction. Seller has been advised to seek independent counsel in order to be fully advised of his rights and obligations in this transaction and by executing this document, the Seller acknowledges that he has been so advised. The parties agree this document is to be neutrally construed. Sellers have instructed said attorney not to file a UCC security documents regarding personal property.

**SECTION 22 - JURISDICTION AND VENUE**

In the event that any suit or action shall be brought in connection with any of the terms or conditions of this agreement, the Seller and the Buyer hereby agree to submit to the jurisdiction of the appropriate court of the State of Washington for Skamania County, and the Seller and the Buyer hereby agree that the venue of any such suit or action shall properly lie in Skamania County, State of Washington.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed in duplicate originals as of the day and year first written above.

SELLER:

PURCHASER:

Dan Lillegard  
DAN LILLEGARD

Austin S. Risjord  
AUSTIN S. RISJORD

Judie Lillegard  
JUDIE LILLEGARD

Lynn Risjord  
LYNN RISJORD

Sellers' Address:

Purchasers' Address:

P.O. Box 251  
Stevenson, WA 98648

228 N.W. 104th St.  
Vancouver, WA 98685

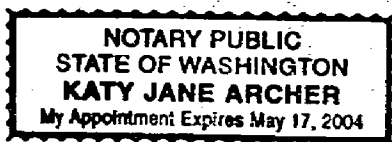


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STATE OF WASHINGTON )  
County of Skamania ) ss:

I certify that I know or have satisfactory evidence that DAN LILLEGARD and JUDIE LILLEGARD are the persons who appeared before me, and said persons acknowledged that they signed this instrument and acknowledged it as their free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: September 6, 2000.



Katy Jane Archer  
Print: KATY JANE ARCHER  
NOTARY PUBLIC in and for  
the State of Washington  
My commission expires 5/17/04

STATE OF WASHINGTON )  
County of Skamania ) ss:

I certify that I know or have satisfactory evidence that AUSTIN S. RISJORD and LYNN RISJORD are the persons who appeared before me, and said persons acknowledged that they signed this instrument and acknowledged it to their free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 8/18, 2000.

Denny M. Parker  
Print: Denny M. Parker  
NOTARY PUBLIC in and for  
the State of Washington  
My commission expires 3/3/01

