

WHEN RECORDED RETURN TO:

Jason Fritz
P.O. Box 125
North Bonneville, WA 98639

DOCUMENT TITLE(S) Lease Option Agreement

REFERENCE NUMBER(S) of Documents assigned or released:

☐ Additional numbers on page _____ of document.

GRANTOR(S): Mary Laufman / CAM Development

☐ Additional names on page _____ of document.

GRANTEE(S): Jason Fritz & Margaret McLarney

☐ Additional names on page _____ of document.

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

Lot 26 Hamilton Island

☒ Complete legal on page 31 of document.

TAX PARCEL NUMBER(S): 02072912022600

☐ Additional parcel numbers on page _____ of document.

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

Initial Receipt of Funds Month-to-Month Rental Agreement

Initial Receipt of Funds under that Rental Agreement (the "Agreement") dated January 12, 2007 between Mary Laufman as Landlord or Agent to the Landlord and Jason Fritz and Margaret McLarney, as tenant(s), of real property located at 1227 Island Way, North Bonneville, Washington (the "Premises"), is hereby acknowledged:

Current Payment:

Payments Acknowledged by this Receipt:

Processing Fee	\$130
Lease Option Fee	\$300
Conditionally Refundable Deposit	\$ - 0 -
Pet Fee	\$ - 0 -
Smoking Fee	\$ - 0 -
Rent (1/12/08 to 1/31/08)	\$774.20
Total Monies Received:	\$1,204.20

Payments Due within 60 days:

Due February 1, 2008:

February 2008 Rent	\$1,200
Option Payment	\$ 300

Total Monies Due: **\$1,500**

Due March 1, 2008:

March 2008 Rent	\$1,200
Option Payment	\$ 300

Total Monies Due: **\$1,500**

Landlord

Mary Laufman

Date

1.10.08

Tenant(s)

Jason Fritz

Tenant(s)

Margaret McLarney

Tenant(s)

MONTH—TO—MONTH RENTAL AGREEMENT

as per RCW 59.18.030(6)

TENANT NAME(S) Jason Fritz and Margaret McLarney DATE January 12, 2008
 (Jointly, Severally and Severalty Liable)
 TENANT ADDRESS 1227 Island Way ☐ HOUSE ☐ DUPLEX
 LANDLORD'S/MANAGER Mary Laufman PHONE 503-793-7900
 ADDRESS For Mail: PO Box 1000, Stevenson, WA 98648
 OWNER OR AUTHORIZED PERSON FOR SERVICE OF PROCESS, NOTICES AND DEMANDS Mary Laufman,
 PHONE 503-793-7900
 ADDRESS 581 Gropper, Stevenson, WA 98648

Tenant will be notified in writing of any change of agent or owner. Check this list and read carefully before signing. Tenants are held responsible for all damage to furnishings or premises caused by negligence or willful misconduct.

This dwelling unit is ☒ Unfurnished. ☐ Furnished. ☐ Inventory attached. Range on loan Electric Globes _____
 Refrigerator _____ Keys to Apartment 2
 Washer-Dryer _____ Other _____

Appliances are on loan only, Tenants promise to assume all responsibility for care and maintenance.

TENANT HAS INSPECTED RENTAL UNIT AND HAS FOUND IT ACCEPTABLE AND READY FOR OCCUPANCY

The undersigned tenants hereby acknowledge receipt from landlord or agent of all the articles in foregoing inventory, correctly numbered, in good order, and agree that said tenancy with the undersigned Rental Agent for the landlord is governed by the regulations and agreements set forth herein and by the rules and laws posted in said Rental Unit. This instrument shall constitute the Rental Contract Agreement between us as tenants and the landlord or his agent.

IT IS MUTUALLY AGREED between the Landlord and Tenants as listed above; and as follows:

- RENT.** The Tenant shall pay rent in the amount of \$ 1,200.00 per month for the above premises on the 1st day of each month in advance to Landlord. In the event the rent shall commence on any day other than the first day of the calendar month, the rent shall be collected from the date of commencement to and including the last day of the month, after which time all rents shall be due and payable on the first day of each succeeding calendar month. The Tenant understands that he will receive no rent reductions, adjustments or compensation due to repairs or interruptions of service except as provided by law.
- ASSIGNMENT.** Tenant agrees not to sublet said premises nor assign this agreement nor any part thereof without the prior written consent of Landlord.
- INSPECTION OF PREMISES.** Tenant agrees that he has made inspection of premises and accepts the condition of the premises in its present state, and that there are no repairs, changes, or modifications to said premises to be made by the Landlord other than as listed herein.
- PROCESSING/MOVING IN FEE (non-refundable) & SECURITY DEPOSIT.** The Tenant has paid the sum of \$ 130.00, receipt of which is hereby acknowledged. The sum of \$ 130.00 is a non-refundable fee and the security deposit of \$ 0.00 which shall be deposited by Landlord in a trust account with _____ bank, savings and loan association or licensed escrow, _____ branch, whose address is _____. All or a portion of such deposit may be retained by Landlord and refund of any portion of such deposit is conditioned as follows:
 - Tenant shall fully perform obligations hereunder and those pursuant to Chapter 207, Laws of 1973, 1st Ex. Session, or as may be subsequently amended;
 - Tenant shall occupy said premises for 12 months or longer from date hereof;
 - Tenant shall clean and restore said residence and return the same to Landlord in its initial condition except for reasonable wear and tear, upon the termination of this tenancy and vacation of the residence;
 - Tenant shall have remedied or repaired any damages to the premises to the Landlord's satisfaction;
 - Tenant shall surrender to Landlord the keys to premises;
 - Tenant shall have replaced any lost or missing items of furnishings or equipment, including personal property of the Landlord provided during the tenancy;
 - Tenant shall have complied with all the provisions of this rental agreement or other such rules and regulations as the Landlord may deem necessary, including payment of all rental and other charges.

Within fourteen (14) days after the termination of the tenancy and vacation of the premises, Landlord shall mail to the Tenant's last known address a full and specific statement of the basis for retention of any or all of the deposit, together with the payment of any refund due to the Tenant. Landlord shall have the right to proceed against the Tenant to recover sums exceeding the amount of the Tenant's fee for cleaning, painting or repairs to the property, and replacement of lost or missing items for which the Tenant is responsible.

- LATE CHARGE.** Tenant understands that if the total is not received by the 5th of the month or if a check is returned for any reason there will be a \$ 75.00 charge in addition to the full amount of the rent.

- NOTICE TO VACATE.** Tenant agrees that to terminate tenancy, twenty (20) days written notice must be given to Landlord prior to the end of a monthly term. According to the terms of this agreement, rent has been prorated to the first day of each calendar month. The Tenant understands that occupancy is on a month to month tenancy running from the first to the last day of each month. Example: Notice given on the 15th of one month would bind the tenancy until the last day, not the 5th day, of the following month. Landlord may terminate the tenancy, without reason, by delivery to the tenant written notice at least twenty (20) days prior to the end of a monthly term. In addition, the Landlord may give the following notices as circumstances may warrant:

- Ten (10) days notice to comply with any of the terms of this agreement;
- Twenty (20) days notice to vacate the Residence;
- Three (3) days notice, after a default in the payment of rent, to pay the rent in full or vacate the Residence;
- Three (3) days notice to vacate the Residence for committing a waste upon the premises, setting up or carrying on any unlawful business, or permitting or maintaining a nuisance on or about the premises.

7. **USE.** Tenant agrees that the residence is to be used and occupied by tenant and members of Tenant's immediate family only, consisting of _____ adults and _____ child(ren), as a private dwelling residence and for no other purpose. If the Tenant is unmarried and should, during this tenancy, marry, the new spouse will sign and date this agreement. If the new spouse chooses not to sign and date this agreement for any reason, but continues to reside at the above premises then that new spouse shall be liable for this agreement after the next months rental term or when the rent is paid which ever comes first, after which both spouses will become both jointly and Severally liable. Tenant shall not use said premises or any part thereof for any illegal purpose. Tenant agrees to conform to municipal, county and state codes, statutes, ordinances and regulations concerning the manager for any guest(s) staying more than five (5) days and should he fail to secure such approval, understands and agrees to pay upon demand, additional rent for each guest at the rate of \$ 5.00 per day for each day exceeding five (5), and upon such demand shall pay the additional rent on the next rental payment date.

8. **UTILITIES.** Tenant shall pay for all services and utilities supplied to the premises, except None which shall be furnished by Landlord.

9. **MAINTENANCE OF PREMISES.** Tenant agrees to mow and water the grass and lawn, and keep the grass, lawn, flowers and shrubbery thereon in good order and condition, and to keep the sidewalk surrounding said premises free and clear of all obstructions; to replace in a neat and workmanlike manner all glass and doors broken during occupancy thereof; to use due precaution against freezing water or waste pipes and stoppage of same in and about said premises and that in case water or waste pipes are frozen or become clogged by reason of neglect of Tenant, to repair the same at Tenant's own expense as well as all damage caused thereby.

10. **ACCESS.** Landlord shall have the right to place and maintain "for rent" signs in a conspicuous place on said premises for twenty days prior to the vacation of said premises. Landlord reserves the right of access to the premises for the purpose of:

- A. Inspection;
- B. Repairs, alterations or improvements;
- C. To supply services; or
- D. To exhibit or display the premises to prospective or actual purchasers, mortgagees, tenants, workmen or contractors.

Landlord shall, whenever practicable, give Tenant two (2) days prior notice of his intention to enter the Apartment. Tenant agrees that in case of emergency or abandonment, the Landlord may enter without consent of the Tenant and that failure to pay rent after it shall become due and payable is prima facie evidence of abandonment.

11. **RENTAL INCREASE.** The monthly rent shall be increased only by prior written notice of thirty days or more preceding the commencement of any month or period of tenancy. In case of increase of rent, it is understood that all other provisions of this agreement shall remain in full force, changed only by such alterations in the amount of rent and not otherwise.

12. **PETS AND ANIMALS.** Tenant shall not maintain any pets or animals upon the premises without the prior written consent of Landlord. Permission given to maintain pets or animals will require a flat non-refundable fee of \$ \$500.

13. **ALTERATIONS.** Tenant agrees to do no painting, wallpapering or other decorating in the Apartment, or make any alterations, changes or additions to fixtures, locks or wiring without the prior written consent of the Landlord.

14. **LIABILITY AND STORAGE.** Tenant agrees that all personal property in the residence shall be at the risk of the Tenant. Tenant further agrees not to hold the Landlord liable in any manner for or on account of any loss or damage sustained by action of any third party, fire, water, theft, or the elements or for loss of any articles from any cause, from said residence or any other part of said buildings. Neither shall the Landlord be liable for any injury to the Tenant, his family, guest, employees or any person entering the apartment, building or property of which the residence is part. In the event Tenant shall elect to store personal belongings in a storeroom provided by the Landlord, then he does so at his own risk and that no charge shall be made for such storage and said Landlord assumes no liability for loss or damage to such goods by fire, water, theft, misdelivery or the disappearance of such goods for any reason. The Tenant hereby releases said Landlord and his agents from any and all claims for damages arising out of the loss or damage to goods in storage for any reason whatsoever.

15. **REMOVAL OF PROPERTY.** Tenant agrees that in the event of abandonment and accompanying default in rent, the Landlord may immediately enter the residence and take possession of any property of the Tenant found therein. Landlord shall store the same in a secure place and mail a notice to Tenant's last known address stating the location and address of stored property. After sixty (60) days from the date of default in rent, and after prior notice of such sale, Landlord may sell such property and may apply any income derived therefrom against moneys due the Landlord, including drayage and storage. Any excess income derived from the sale of such property shall be held by the Landlord for the benefit of the Tenant for a period of one (1) year from the date of the sale, and if no claim is made or action commenced by the Tenant for the recovery thereof prior to the expiration of the period of time, the balance shall be the property of the Landlord.

16. **RULES AND REGULATIONS.** Tenant agrees not to create any loud or unusual noises that are or would be objectionable to other tenants. Tenant agrees not to install outdoor radio or television antennas without the prior approval of the manager. Tenant agrees that Landlord may, upon thirty (30) days written notice or by posting in a conspicuous place, make such changes or additions as deemed necessary to the rules and regulations stated herein, including increases or decreases in the amount of the monthly rent. All other provisions of this agreement shall remain in full force and effect regardless of any change in regulations or monthly rent.

17. **GOVERNMENTAL REGULATIONS.** Tenant shall comply with all laws, ordinances, public rules, and governmental regulations applicable to said residence or the use thereof.

18. **ATTORNEY'S FEES.** Tenant agrees to pay all costs, expenses and attorney's fees, as allowed by law, expended or incurred by Landlord by reason of any default or breach by Tenant of any of the terms of this agreement.

19. **NOTICES.** All notices or process required or permitted to be served on owner or manager shall be served at the address shown at the top of this form. All notices required or permitted to be served on tenant shall be served by mail or delivery to tenant at 1227 Island Way unless tenant shall notify manager in writing of any different address. It is mutually agreed that actual delivery or mailing to the address supplied by tenant is actual notice to tenant.

20. **SPECIAL PROVISIONS:** See Special Provisions

IN WITNESS WHEREOF the Tenant hereby agrees to the above terms and conditions.

MAKE CHECKS PAYABLE TO:

BY Marye Langman
Signature of Agent or Owner
ADDRESS _____

TENANT:
NAME John J. Frazee
NAME Elizabeth L. Frazee
NAME _____

Original to Landlord / COPY TO TENANT - BOTH MUST BE SIGNED

Special Provisions

as per RCW 59.18.030(6)

The Month-To-Month Rental Agreement (the "Agreement") dated January 12, 2008 between Mary Laufman, as Landlord or Agent to the Landlord and Jason Fritz and Margaret McLarney, as tenant(s), of real property located at 1227 Island Way, North Bonneville, Washington (the "Premises"), is hereby amended to include the following terms and conditions:

1. **Aerials/Antenna**—No radio or TV aerials or antennae shall be installed on the roof or other parts of property without written consent of Landlord.
2. **Alterations, Decorations, and Repairs**—Except as provided by law, Tenants agree not to alter or decorate their dwelling without first obtaining Owners' written permission. Decorations include painting and wallpapering. Further, Tenants agree not to repair their dwelling or anything belonging to the Owners without first obtaining Owners' written permission, and Tenants agree to pay for them. Tenants shall hold Owners harmless for any mechanic's liens or proceedings which Tenants cause. Any alterations or decorations made by Tenants become the property of Owners when Tenants vacate.
3. **Appliances**—Although there may be appliances in the dwelling, such as a refrigerator, stove, dishwasher, clothes washer, dryer, garbage disposal, or garbage compactor, the use of these appliances is not included in the rent. If Tenants wish to use these appliances, they agree to assume all responsibility for care and maintenance. If Tenants wish to use their own appliances, they may request that the Owners' appliances be removed from the premises.
4. **Cable**—No cable line shall be installed by Tenant or Tenant's agent without the written approval of the Landlord.
5. **Damage**—Tenants agree to pay for repairs of all damage which they or their guests have caused. If repairs/cleaning is to be made by the landlord it will be done at a hourly rate of \$ 50.00 a hr. Any repairs done by a professional will be billed at the professional rate. See "Special Provisions" "Rent Payments" for payment method. In the case of a Judgment tenant agrees to 12% interest per year on the unpaid Judgment.
6. **Definitions**—As used in this contract.
 - (a) "Deposits" can be applied to money which can be refunded to the tenant.
 - (b) "Drugs and drug-related activity as defined in chapter 69.41, 69.50 and 69.52 RCW
 - (c) "Due Date" The 1st day of each month
 - (d) "Fees" are always nonrefundable and will not be returned to the tenant under any circumstances.
 - (e) "Gender," Any references in this agreement to gender include masculine, feminine, and neuter.
 - (f) "Insufficient Payment" if a rent payment is found to be "insufficient" a \$ 5.00 additional late charge may be applied for each day the rent is not paid in full after the due date.
 - (g) "Jointly, Severally and Severalty Liable" refers to the sharing of obligations and liabilities among two or more people — both as a group and as individuals. When two or more tenants are "Jointly, Severally and Severalty Liable" the landlord can choose to hold all of them, or just one of them, responsible to pay rent, abide by the rules of the tenancy and pay damages. Co-tenants that become separated continue to be Co-signers.
 - (h) "Late Fees" any rent payment that is not received or Postmarked by the 5th of the month will be imposed a \$ 75.00 late fee.
 - (i) "NSF" means a check that is not honored for any reason by the bank it is drawn on.
 - (j) "Resubmitted Check" means a check that is not honored by the bank it is drawn on the first time it is deposited for payment, and is subsequently redeposited. Resubmitted checks are the same as "NSF checks"
 - (k) "Singular and Plural" Unless otherwise indicated by the context, any singular references include the plural and any plural references included the singular.

7. Drain Stoppages—As of the date of this Agreement, Owners warrant that the dwelling's sewage drains are in good working order and that they will accept the normal household waste for which they were designed. They will not accept things such as paper diapers, sanitary napkins, tampons, children's toys, wads of toilet paper, balls of hair, grease, oil, table scraps, clothing, rags, sand, dirt, rocks, or newspapers. Tenants agree to pay for clearing the drains of any and all stoppages except those which the plumber who is called to clear the stoppage will attest in writing were caused by defective plumbing, tree roots, or acts of God.

8. Fees—Fees are Nonrefundable and will not be returned to the tenant under any circumstances (RCW 59.18.285).

9. Financial Responsibility—Each tenant under this rental agreement agrees to be jointly and severally liable to the Owner for the entire rent and the entire amount of any other charges incurred under the Rental Agreement. Tenant agrees to be responsible financially or otherwise for the conduct of tenants guests or invitees. This Agreement is for the full duration of tenancy and tenant may not terminate this guaranty until the landlord has received full possession from all tenants and all other persons occupying the rental premises.

10. Fireplace—Although there may be a Fireplace in the dwelling, its use is not included in the rent, and the Fireplace is not warranted. If Tenants wish to use the Fireplace, they assume all responsibility for care, maintenance, and hazards.

11. Freezing Pipes—Tenant agrees to take due precaution against freezing water or waste pipes and stoppage of same in and about said premises and that in case water or waste pipes are frozen tenant will repair same at tenant's own expense as well as all damage caused thereby.

12. Heating and cooling—If property has a heating system that requires filters such as a heat pump or and electric or gas furnace with or without air conditioning, resident hereby agrees to replace or clean the filter (s), whichever is applicable every 4 months of their tenancy. Resident agrees to replace or repair any damage to the heating system caused by failure to do so.

13. Illegal Drugs—Tenant hereby agrees to keep the premises free of illegal drugs and drug-related activity during the term of Tenant's tenancy. Tenant agrees that illegal drugs will not be used, stored, manufactured, or kept on the Premises by the Tenant, any family member residing on the Premises, or any guest, or invitee during the term of the Agreement. Tenant will use best efforts to keep the Premises "drug-free" at all times (RCW 59.18.130 (6)).

14. Illegal Gang Activity—Tenant agrees that Tenant, any family member residing on the Premises, or any guest or invitee shall not be a member of an illegal gang, nor shall Tenant, any family member residing on the Premises, or any guest, or invitee engage in any gang-related activity on the Premises during the term of this Agreement. For purposes of this Addendum, the term "illegal gang" refers to a group, or member of a group, of people involved in organized illegal activity or antisocial behaviors.

15. Illegal Provisions Not Affecting Legal Provisions—Whatever item in this Agreement is found to be contrary to any local, state, or federal law, such item shall be considered null and void, just as if it had never appeared in the Agreement, and it shall not affect the validity of any other item in the Agreement. RCW 59.18.230 (1)

16. Insurance—Our policies cover only the building itself where you live. They do not cover any of your own belongings against damage or disappearance, nor do they cover you for negligence should you, for example, leave a burner going under a pan and start a fire which damages the kitchen. To protect yourself against these calamities, you should get a tenant's insurance policy. Most insurance companies and agents will write such a policy for you, and we would strongly urge that you inquire about getting one. For the peace of mind that it gives, a tenant's insurance policy is reasonable indeed.

17. Liquid-filled Furniture—Tenants agree not to keep any liquid-filled furniture in this dwelling without first obtaining Owners' written permission.

18. Maintenance of Premises—The resident agrees to mow, water, and keep the grass, lawn, flowers and shrubbery thereon in good order and condition, applying fertilizers and weed retardant as needed. Lawn clippings, shrubbery and tree trimmings must be properly disposed of and can not be left on the property. If there is a failure to do so, owner or owner's agent reserves the right to hire a landscaping service at the resident's expense (after a 10-day notice to perform covenant). Owner or owner's agent reserve the right to restore the landscaping to its initial condition at the time of resident's taking occupancy (possession) or at the time of initial restoration if performed during residents's occupancy. Residents accept liability for sprinkler systems (if present on the premises) and all landscape damage and/or replace of such if caused by neglect, abuse or lack of water.

19. Mold and Mildew—Tenants acknowledge that it is necessary for the tenants to maintain appropriate climate control, keep the tenants dwelling unit clean, and take necessary measures to retard and prevent mold from accumulating in the dwelling unit. Tenants agree to clean and dust the dwelling unit on a regular basis and to remove visible moisture accumulation on windows, window sills, walls, floors, ceilings and other surfaces as soon as reasonably possible. Tenants agree not to block or cover any heating, ventilation or air-conditioning ducts. Tenants also agree to report immediately in writing to the landlord: (i) any evidence of a water leak or excessive moisture in the dwelling unit, common hallways, storage room, garage or other common area; (ii) any evidence of mold that cannot be removed with a common household cleaner; (iii) any failure or malfunction in heating, ventilation or air conditioning, and (iv) any inoperable doors or windows. Tenants further agree that the tenants shall be responsible for damage to the dwelling unit and the tenants personal property as well as any injury to the tenants, the tenants guest and all occupants of the dwelling unit resulting from the tenants failure to comply with the terms of this Mold Addendum. Tenants also acknowledge that they have received a Department of Health approved publication on MOLD as required by RCW 59.18.060 (12) and (13).

20. Moving Out—Proper notice to leave clarified. When a tenant wants to end a month-to-month rental agreement, written notice must be given to the landlord. The notice must be received at least 20 days before the end of the rental period (the day before rent is due). The day which the notice is delivered does not count. A landlord cannot require a tenant to give more than 20 days notice when moving out. What if a tenant moves out without giving proper notice? The law says the tenant is liable for rent for the lesser of: 30 days from the day the next rent is due, or 30 days from the day the landlord learns the tenant has moved out. However, the landlord has a duty to try and find a new renter. If the dwelling is rented before the end of the 30 days, the former tenant must pay only until the new tenant begins paying rent.

21. Non-Waiver—Should either Owners or Tenants waive their rights to enforce any breach of this Agreement, that waiver shall be considered temporary and not a continuing waiver of any later breach. Although Owners may know when accepting rent that Tenants are violating one or more of this Agreement's conditions, Owners in accepting the rent are in no way waiving their rights to enforce the breach. Neither Owners nor Tenants shall have waived their rights to enforce any breach unless they agree to a waiver in writing.

22. Painting—Owners reserve the right to determine when the dwelling will be painted unless there is any law to the contrary.

23. Pets—Pets are welcome but, this agreement specifically prohibits keeping pets, even temporarily, without Owner's permission. "Pets" includes, but is not limited to, both warm- and cold-blooded animals, such as dogs, cats, fish, hamsters, rats, birds, snakes, lizards, and insects. A Pet Agreement must be signed for each new pet. The additional monthly rent is \$_____ for each cat or dog, other kind of pets negotiable. Tenants agree to pay immediately for any damage, loss, or expense caused by their pet.

24. Peace and Quiet—Tenants are entitled to the quiet enjoyment of their own dwelling, and their neighbors are entitled to the same. Tenants agree to refrain from making loud noises and disturbances and to keep down the volume of their music and broadcast programs at all times so as not to disturb other people's peace and quiet.

25. Rent Payments—If rent Payment is not received by me, or postmarked by the 5th day of the month, a late fee of \$ 75.00 (partial payments will be considered the same as a late payment). Any checks returned as NSF (NSF for the propose of this contract means a check that is not honored for any reason by the bank it is drawn on the first time it is submitted for payment, also all notices from the landlords bank notifying the landlord of a resubmitted check will be considered the same as a NSF check) will be charged a \$ 50.00 NSF charge and the late fee, may also be imposed. There will also be an additional \$ 25.00 Service Fee for 3-Day Notices and other Legal notices notifying tenants of a violation of the rental agreement. All payments made by Resident to Owner after the tenancy commences, no matter how designated by Resident, will be applied as follows: First to any outstanding amounts due for damages/repairs, utilities etc.; second, to any outstanding service charges from prior months; third, to any rent outstanding from prior months; fourth, to any service charges or late fees due in the current month; and lastly to the current months's rent. If rent is not paid in full within 3 days after a "Pay Rent or Quit Notice" is served, the tenant may be guilty of a Unlawful Detainer as outlined in RCW 59.12.030 (3). Pursuant to RCW 59.12.030 (3) notice to "Pay Rent or Quit Notice" will only show rent and late fee. Damages, repairs, fees etc. will be added to succeeding months rent.

Mail your rent check to:

Checks Payable To: Mary Laufman

Owner Street: PO Box 1000

MLL
MA

Owner City: Stevenson, Washington 98648

Though Payments by mail is preferred by the landlord, rent mailed through the U.S. Postal Service is at the tenants risk. Any rents lost in the mail will be treated as if unpaid until received by landlord.

26. Screens—Landlord is not obligated to provide window and/or door screens. If any screens are presently installed, Landlord has no obligation to maintain or replace them.

27. Security Deposit—The term "Security Deposit" shall mean and cover; but not be limited to; cleaning, damage, any and all rent due, unpaid bills incurred by tenant against said premises, lost keys, unpaid late charges and NFS charges, or any other costs as provided in any of the provisions of this contract; Upon vacation of premises resident shall restore the premises to their original condition except for reasonable wear and tear (RCW 59.18). The Owner/Agent shall refund said deposit within 14 days after termination of rental agreement or landlord learning of all tenants vacating the premises, and return of all keys. If all or any portion of said deposit is retained by Owner/Agent he will provide to tenant an itemized list of the costs within 14 days (RCW 59.18.280).

28. Smoke Alarm—Tenant hereby affirms that the Landlord, or his agent, has upon my/our gaining occupancy of the above described premises, has installed or cause to be installed 2 operational smoke detection devices and I/WE have been shown its operation. It will be the tenant's responsibility to maintain the smoke detection device in proper operating condition. Failure to comply with the provisions of RCW 48.48.140 can result in a fine to the tenant of not more than two hundred dollars, and is also grounds for eviction.

- (i) The above described smoke detection device(s) are (check one) ☐ hard-wired or ☐ battery powered.
- (ii) The subject property (check one) ☐ does ☐ does not have a fire sprinkler system.
- (iii) The subject property (check one) ☐ does ☐ does not have a fire alarm system.
- (iv) The subject property (check one) ☐ does ☐ does not have a smoking policy. If there is such policy, the resident acknowledges receipt of a copy thereof: _____ (initial)
- (v) The subject property (check one) ☐ does ☐ does not have an emergency notification plan. If there is such plan, the resident acknowledges receipt of a copy thereof: _____ (initial)
- (vi) The subject property (check one) ☐ does ☐ does not have an emergency relocation plan for the residents. If there is such plan, the resident acknowledges receipt of a copy thereof: _____ (initial)
- (vii) The subject property (check one) ☐ does ☐ does not have an emergency evacuation plan. If there is such plan, the resident acknowledges receipt of a copy thereof: _____ (initial)

29. Substance Abuse—Tenant agrees that Tenant, any family member residing on the Premises, or any guest, or invitee shall not use controlled substances (including alcohol and prescription medications) in a manner that will either:

- a) disturb the peace and quiet enjoyment of other Tenants or neighbors to the Premises; or
- b) endanger the health, safety, or well-being of Tenant, any family member residing on the Premises, or any guest or invitee.

30. Suitability of Premises—Tenants hereby affirms that tenant has thoroughly inspected the premises and personally determined that they are appropriate for tenants needs, and the tenant is not relying on any other representation, written or oral, in making this determination.

31. Tenant Inspection—Tenants have inspected the dwelling and its contents and agree that they are in satisfactory order, as are the electrical, plumbing, and heating systems. Tenant also has examined the described premises, accepts them in their present condition, said condition being indicated on the "RENTAL INSPECTION REPORT" attached hereto and hereby made a part hereof, and covenants to keep said premises at all times in as good order and condition as the same are now in or may be put in by said owner/agent, ordinary wear and tear excepted.

32. Trash—Tenants agree to dispose of their ordinary household trash by placing it into a receptacle for periodic collection. They agree to dispose of their extraordinary household trash, such as Christmas trees, damaged furniture, broken appliances, and the like, by compacting it so that it will fit inside their trash receptacle or by hauling it to the dump themselves or by paying someone else to haul it away.

(Handwritten signatures and initials)

33. Utilities—Tenants agree to pay all Utilities and have same placed into their name on the first working day of this agreement. except None which shall be furnished by Landlord. Upon termination of tenancy tenants agree that Utilities are to be transferred back to the landlord, if any Utilities have been disconnected, tenants agree to pay for reconnecting, plus damages caused thereby.

34. Vehicles—Tenants agree to keep a maximum of 2 vehicles on the premises. These vehicles must be both operable and currently licensed. Tenants agree to park their vehicles in assigned spaces and to keep those spaces clean of oil drippings, no vehicles will be parked on the grass. Tenants agree to advise their visitors about parking and to take responsibility for where their visitors park. Only those motorcycles which have exhaust muffling comparable to that of a passenger car are allowed. Tenants agree not to repair their vehicles on the premises if such repairs will take longer than a single day unless the vehicle is kept in an enclosed garage. Without notice and without liability, Owner may remove any vehicle from any parking space or carport which in Owner's opinion is parked illegally or which remains inoperable for a period of ten (10) consecutive days. Any vehicle owned by resident remaining on the property after the termination of Resident's right to occupancy may be immediately removed by Owner with full immunity from damages for such removal. Any assigned or unassigned parking spaces (carport, if any) available for use by Resident are limited to private passenger vehicles, and Resident shall have no right to store any recreational vehicle, trailer, furniture, appliances or any other property on said parking space or said carport without written consent of Owner. Resident shall be responsible for improperly parked resident's guest vehicles. Resident shall indemnify Owner for towing/storage costs incurred. Breach of the covenants in this paragraph shall be deemed a material breach of this Agreement.

35. Water Heater—I/We the undersigned Tenant (s) hereby affirm that the Landlord, or his agent, has upon my/our gaining occupancy of the below described premises, caused the hot water heater to be set at a temperature of not higher than 120°F Fahrenheit (or 49°C Celsius), or the minimum setting allowed by said water heater, in full compliance with RCW 19.27A.060, and that I/WE have inspected said water heater. The undersigned Tenant (s) further declare that if for any reason I/WE made any adjustment to said water heater temperature setting, or allow others to do so, I/WE shall save and hold harmless the Landlord, or his agent, from any and all liability for damages, injury or death attributed to said readjustment.

36. Windows—Except for those windows which are noted in writing as being cracked or broken when Tenants move in, Tenants agree to be responsible for any windows which become cracked or broken in their dwelling while they live there. Tenants may repair the windows themselves if they can do the work in a professional manner. Otherwise, they may hire a glazier or submit a maintenance request to Owners. If they submit a maintenance request, Owners will charge them no more for the work than the least expensive written bid for the work which Tenants can obtain.

37. Yard debris—All Yard debris including grass clippings that are raked must be removed from the premises, the tenant can use the local yard debris collection service. The tenant can chose to mulch grass clippings instead of raking also mulching is the method that the landlord prefers.

38. Miscellaneous Provisions—

- 1) Tenant agrees that no more than 1 vehicle which is under the control or ownership of Tenant will be parked on the street in front of the Premises or in the subdivision in which the Premises is located. All other vehicles under the control or ownership of Tenant shall be parked on the driveway or in the garage of Premises.
- 2) Tenant agrees that there will be no Commercial Vehicles, Recreational Vehicles, Boats, or Inoperable Vehicles that are under the control or ownership of Tenant will be visible from the Street on which the Premises is located for a duration of more than 5 hours in any 24 hour period.

Tenant agrees that violation of any of the above terms constitutes a nuisance and is grounds for eviction as per RCW 59.12.030 and/or other legal action by the Landlord.

All other terms of the Rental Agreement are hereby affirmed.

Landlord Marye Luyzen
Date 1.10.08

Tenant(s) [Signature]
Tenant(s) [Signature]
Tenant(s) [Signature]

Addendum to Special Provisions and Month-to-Month Rental Agreement

The Month-To-Month Rental Agreement (the "Agreement") dated January 12, 2008 between Mary Laufman as Landlord or Agent to the Landlord and Jason Fritz and Margaret McLarney, as tenant(s), of real property located at 1227 Island Way, North Bonneville, Washington (the "Premises"), is hereby amended to include the following terms and conditions:

Special Conditions due to Option to Purchase:

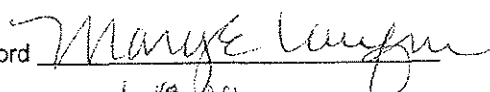
- I. For as long as the Tenant is not in breach of this agreement, and that Lease Option to purchase agreement (which is hereby made a part of this agreement by reference) is in force, The Tenant shall be entitled to: Continue renting the property for a period of up to 60 months. Under the following conditions:
 - 1) Should the monthly rental agreement be extended beyond 2008, the initial rent of \$1,200 per month assessed in 2008 shall increase in accordance with the terms of Option A Below; unless on or before December 1, 2008 Tenant notifies Landlord that Tenant is electing the rent increase in accordance with Option B (below), in such case, the Lease shall continue in accordance with Option B.

Option A: On January 1, 2009, rent shall increase to \$1,650 per month and shall remain fixed at \$1,650 for each monthly rental payment accruing in 2009. Thereafter, the monthly rental rate shall increase annually on January 1 of each successive calendar year by \$25.00.

Option B: On January 1, 2009, rent shall be increased to \$1,500 per month and shall remain fixed at \$1,500 for each monthly rental payment accruing in 2009. Thereafter, the monthly rental rate shall increase annually on January 1 of each successive calendar year by \$25.00.
 - 2) A breach of or the termination of this Agreement shall constitute a breach of the Lease Option to purchase agreement and shall terminate same.
 - 3) A breach of/or the termination of the Lease Option to purchase agreement shall be consider a breach of this lease agreement and will allow Landlord to terminate this Lease Agreement with a 30 day written notice to Tenant.
- II. All Fees and Rent Collected under this Month-to-Month Rental Agreement are non-refundable. In the event that Tenant exercises the Option to Purchase:
 - 1) The Move-In, Smoking, and Pet Fees collected (if any) will be credited to Buyer at the closing of the purchase of the premises.
 - 2) Commencing with rental payments accruing on or after January 1, 2009:
 - a. If Tenant has continued this Lease under Option A, one-third of all rent collected will be credited to Tenant at closing of the purchase of the premises.
 - b. If Tenant has continued this Lease under Option B, one-third of all rent collect less \$200 per month (or fraction thereof) beginning with January 2009 shall be credited to Tenant at closing of the purchase of premises.

In no other case, shall Buyer be entitled to a refund, rebate, or credit of fees or rent paid.

Landlord



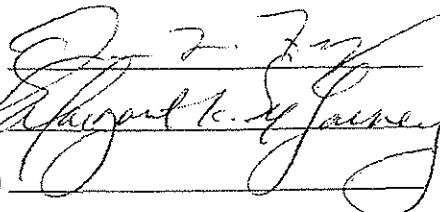
Date

1-10-08

Tenant(s)

Tenant(s)

Tenant(s)



Smoke Free Lease Addendum

The Month-To-Month Rental Agreement (the "Agreement") dated January 12, 2008 between Mary Laufman, as Landlord or Agent to the Landlord and Jason Fritz and Margaret McLarney, as tenant(s), of real property located at 1227 Island Way, North Bonneville, Washington (the "Premises"), is hereby amended to include the following terms and conditions:

Smoke-Free Lease Addendum

Tenant and all members of Tenant's family or household are parties to a written lease with Landlord (the Lease). This Addendum states the following additional terms, conditions, and rules which are hereby incorporated into the lease. A breach of this Lease Addendum shall give each party all the rights contained herein, as well as the rights in the Lease.

1. Purpose of No-Smoking Policy. The parties desire to mitigate (i) the irritation and known health risks from second-hand smoke; (ii) the increased maintenance, cleaning, and redecorating costs from smoking; and (iii) the increased risk of fire from smoking.

2. Definition of Smoking. The term "smoking" means inhaling, exhaling, breathing, or carrying any lighted cigar, cigarette, or other tobacco product or similar lighted product in any manner or in any form.

3. Smoke-Free Complex. Tenant agrees and acknowledges that the premises to be occupied by Tenant and members of Tenant's household have been designated as a smoke-free living environment. Tenant and members of Tenant's household shall not smoke anywhere in the unit rented by Tenant, or the building where the Tenant's dwelling is located or in any of the common areas or adjoining grounds of such building or other parts of the rental community, nor shall Tenant permit any guests or visitors under the control of Tenant to do so.

4. Tenant to Promote No-Smoking Policy and to alert Landlord of Violations. Tenant shall inform Tenant's guests of the no-smoking policy. Further, Tenant shall promptly give Landlord a written statement of any incident where tobacco smoke is migrating into the Tenant's unit from sources outside of the Tenant's apartment unit.

5. Landlord to Promote No-Smoking Policy. Landlord shall post no-smoking and/or smoke free signs at entrances and exits, common areas, hallways, and in conspicuous places adjoining the grounds of the apartment complex.

6. Landlord not a guarantor of smoke-free environment. Tenant acknowledges that Landlord's adoption of a smoke-free living environment, and the efforts to designate the rental complex as smoke-free, do not make the Landlord or any of its managing agents the guarantor of Tenant's health or of the smoke-free condition of the Tenant's unit and the common areas. However, Landlord shall take reasonable steps to enforce the smoke-free terms of its leases and to make the complex smoke-free. Landlord is not required to take steps in response to smoking unless Landlord is put on notice of the presence of cigarette smoke, via agent, personal knowledge, and/or written notice by a Tenant.

7. Other Tenants are Third-Party Beneficiaries of Tenant's Agreement. Tenant agrees that the other Tenants at the complex are the third-party beneficiaries of Tenant's smoke-free addendum agreements with Landlord, meaning that Tenant's commitments in this Addendum are made to the other Tenants as well as to the Landlord. A Tenant may sue another Tenant for an injunction to prohibit smoking or for damages, but does not have the right to evict another Tenant. Any suit between Tenants herein shall not create a presumption that the Landlord breached this Addendum.

[Handwritten signatures and initials]

Smoking-Addendum to Rental Agreement Page 1

8. Effect of Breach and Right to Terminate Lease. A breach of this Lease Addendum shall give each party all the rights contained herein, as well as the rights in the Lease. A material breach of this Addendum by the Tenant shall be a material breach of the lease and grounds for immediate termination of the Lease as per (RCW 59.12.030 (4)) by the Landlord. Landlord acknowledges that in declaring this building(s) (or portion of the building) to be smoke-free, the failure to respond by Landlord to a complaint filed by the tenant shall be treated as equivalent to a request for maintenance. Washington law (RCW 59.18.070 (3)) governing repair and deduct, the implied warranty of habitability, and the covenant of quiet enjoyment shall be understood to include the right to be smoke-free contingent upon cooperation of both Tenant and Landlord. These provisions shall also be construed to result in a constructive eviction if Landlord fails to timely respond to Tenant's complaints regarding smoke with the respective remedy reserved to the Tenant in such instance as per (RCW 59.18.070 (3)).

9. Disclaimer by Landlord. Tenant acknowledges that Landlord's adoption of a smokefree living environment, and the efforts to designate the rental complex as smokefree, does not in any way change the standard of care that the Landlord or managing agent would have to a Tenant household to render buildings and premises designated as smoke-free any safer, more habitable, or improved in terms of air quality standards than any other rental premises. Landlord specifically disclaims any implied or express warranties that the building, common areas or Tenant's premises will have any higher or improved air quality standards than any other rental property. Landlord cannot and does not warranty or promise that the rental premises or common areas will be free from secondhand smoke. Tenant acknowledges that the Landlord cannot and will not enforce a smoke free environment off of the property and out of the Landlord's control, such as adjoining property and public right of ways. Tenant acknowledges that Landlord's ability to police, monitor, or enforce the agreements of this Addendum is dependent in significant part on voluntary compliance by Tenant and Tenant's guests. Tenants with respiratory ailments, allergies, or any other physical or mental condition relating to smoke are put on notice that Landlord does not assume any higher duty of care to enforce this Addendum than any other landlord obligation under the Lease.

10. (Optional Paragraph for existing rental communities that adopt "no-smoking policies"): Effect on Current Tenants. Tenant acknowledges that current tenants residing in the complex under a prior lease will not be immediately subject to the Nonsmoking Policy. As current tenants move out, or enter into new leases, the smokefree policy will become effective for their unit or new lease.

Tenant agrees that violation of any of the above terms constitutes a nuisance and is grounds for eviction as per RCW 59.12.030 and/or other legal action by the Landlord.

All other terms of the Rental Agreement are hereby affirmed.

Landlord Maryke Langston
Date 1.10.08

Tenant(s) [Signature]
Tenant(s) [Signature]
Tenant(s) [Signature]

SMOKE DETECTOR AGREEMENT

as per RCW 59.18.060 (11a)
(Addendum to Rental Agreement)

The Month-To-Month Rental Agreement (the "Agreement") dated January 12, 2008 between Mary Laufman, as Landlord or Agent to the Landlord and Jason Fritz and Margaret McLarney, as tenant(s), of real property located at 1227 Island Way, North Bonneville, Washington (the "Premises"), is hereby amended to include the following terms and conditions:

Tenant hereby affirms that the Landlord, or his agent, has upon my/our gaining occupancy of the above described premises, has installed or cause to be installed 2 operational smoke detection devices and I/WE have been shown its operation. It will be the tenant's responsibility to maintain the smoke detection device in proper operating condition. Failure to comply with the provisions of *RCW 48.48.140 can result in a fine to the tenant of not more than two hundred dollars, and is also grounds for eviction.

- (i) The above described smoke detection device(s) are (check one) ☒ hard-wired or ☐ battery powered.
- (ii) The property (check one) ☐ does ☒ does not have a fire sprinkler system.
- (iii) The property (check one) ☐ does ☒ does not have a fire alarm system.
- (iv) The property (check one) ☒ does ☐ does not have a smoking policy. If there is such policy, the resident acknowledges receipt of a copy thereof: _____. (initial)
- (v) The subject property (check one) ☐ does ☒ does not have an emergency notification plan. If there is such plan, the resident acknowledges receipt of a copy thereof: _____. (initial)
- (vi) The subject property (check one) ☐ does ☒ does not have an emergency relocation plan for the residents. If there is such plan, the resident acknowledges receipt of a copy thereof: _____. (initial)
- (vii) The property (check one) ☐ does ☐ does not have an emergency evacuation plan. If there is such plan, the resident acknowledges receipt of a copy thereof: _____. (initial)

*RCW 48.48.140 was recodified as RCW 43.44.110 pursuant to 2006 c 25 Â§ 13.

Owner Mary Laufman
Dated 1-10-08

Tenant(s) J. Fritz
Tenant(s) M. McLarney
Tenant(s) _____

Hot Water Heater Agreement

as per RCW 19.27A.060

The Month-To-Month Rental Agreement (the "Agreement") dated January 12, 2008 between Mary Laufman, as Landlord or Agent to the Landlord and Jason Fritz and Margaret McLarney, as tenant(s), of real property located at 1227 Island Way, North Bonneville, Washington (the "Premises"), is hereby amended to include the following terms and conditions:

I/We the undersigned Tenant (s) hereby affirm that the Landlord, or his agent, has upon my/our gaining occupancy of the below described premises, caused the hot water heater to be set at a temperature of not higher than 120°Fahrenheit (or 49°Celsius), or the minimum setting allowed by said water heater, in full compliance with RCW 19.27A.060, and that I/WE have inspected said water heater.

The undersigned Tenant (s) further declare that if for any reason I/WE made any adjustment to said water heater temperature setting, or allow others to do so, I/WE shall save and hold harmless the Landlord, or his agent, from any and all liability for damages, injury or death attributed to said readjustment.

Tenant agrees that violation of any of the above terms constitutes a nuisance and is grounds for eviction as per RCW 59.12.030 and/or other legal action by the Landlord.

All other terms of the Rental Agreement are hereby affirmed.

Landlord

Mary Laufman

Date

1.10.08

Tenant(s)

Tenant(s)

Tenant(s)

Jason Fritz
Margaret McLarney



Sale Agreement # 20080112
Addendum

AGENCY DISCLOSURE

1. PARTIES: SELLER: CAM Development, Inc.
BUYER: Jason Fritz and Margaret McLarney

2. AGENCY DISCLOSURE:

Selling Licensee represents:

☐ Buyer; ☒ Seller; ☐ both Buyer and Seller; ☐ neither Buyer nor Seller

Listing Licensee represents:

☒ Seller; ☐ both Buyer and Seller

If the Selling and Listing Licensees are affiliated with the same Broker, and both Seller and Buyer are being represented (including by dual agents), then the Broker is a dual agent. Each party confirms that prior oral and/or written disclosure of agency was provided to them in this transaction and that each has received a copy of the document entitled "The Law of Real Estate Agency."

Buyer:

Jason Fritz

Seller:

Margaret McLarney

Date:

1/8/2008

Date:

1-10-08

Buyer:

Edward K. Saffery

Seller:

Date:

1/8/2008

Date:

Selling Licensee:

Listing Licensee:

Company:

Company:





Sale Agreement # 20080112
Addendum

OPTION AGREEMENT

This Option Agreement should only be used in conjunction with an Oregon Real Estate Forms, LLC Real Estate Sale Agreement. If not fully understood, seek competent legal advice before signing.

This Option Agreement is entered into on January 12, 2008 between CAM Development, Inc ("Seller") and Jason Fritz and Margaret McLarney ("Buyer").

1. RENTAL/LEASE AGREEMENT: (complete only if applicable. The parties are encouraged to use a form of rental or lease agreement that is currently used for similar properties in the area.) A Rental/Lease Agreement, dated January 12, 2008 is attached hereto as Exhibit 1 and made a part hereof.

2. GRANT OF OPTION: Subject to the terms and conditions contained below, Seller hereby grants to Buyer the option ("Option") to acquire the following property: 1217 ISLAND WAY North Bonneville WA 98636 (the "Property").

3. OPTION DEADLINE: Unless exercised in accordance with the terms of this Option Agreement, the Option shall fully and completely expire at (check one):
☐ 5:00 p.m. on _____, or ☒ See Addendum "Opt-A" (the "Option Deadline").

4. CONSIDERATION FOR OPTION: Buyer has paid Seller the sum of \$See Add. Opt-A (the "Option Payment"). Except as otherwise provided herein, the Option Payment shall be nonrefundable to Buyer. If Buyer exercises the Option and acquires the Property in accordance with the Sale Agreement identified below, the Option Payment (check one): ☐ shall ☐ shall not be applied to the Purchase Price at Closing.

5. EXERCISE OF OPTION: Time is of the essence. So long as Buyer is not then in default under the Rental/Lease Agreement, if applicable, or this Option Agreement, Buyer may exercise the Option once prior to the Option Deadline, by written notification to Seller, simultaneously sent by certified mail, return receipt requested and regular first class mail, addressed to Seller at P.O. Box 1000, Stevenson, WA 98648, or by actual delivery to Seller. For informational purposes only, Buyer shall simultaneously provide a copy of the notice to Buyer's Real Estate Firm, if any. A "default under the Rental/Lease Agreement" shall be defined to mean any matter for which Seller would have the right to institute eviction proceedings against Buyer under the Oregon Residential Landlord Tenant Act ("ORLTA"), ORS 105.105 et. seq. Unless and until the Option is exercised in accordance with this Option Agreement, Buyer's rights to the Property shall be exclusively limited to those arising under the ORLTA.

6. PURCHASE PRICE, TERMS, AND CLOSING: The parties have entered into an Oregon Real Estate Forms, LLC Real Estate Sale Agreement ("the Sale Agreement"), dated January 12, 2008 which is attached hereto as Exhibit 2 and made a part hereof. In the event the Option is exercised, the purchase price and terms shall be in accordance with the Sale Agreement. Provided, however, notwithstanding the preceding sentence, the closing of the transaction shall be no sooner than _____ business days (ten (10) if not filled in) nor later than _____ business days (thirty (30) if not filled in) after the date of Buyer's notification of exercise of the Option.

7. FAILURE TO EXERCISE OPTION: Time is of the essence. If Buyer fails for any reason (other than Seller's default under this Option Agreement) to timely and properly exercise the Option prior to the Option Deadline, the Option Payment shall be retained by Seller, and Buyer shall have no further rights under the Option Agreement or Sale Agreement. If the Option is properly exercised, but the transaction fails to close, Seller's and Buyer's rights to any earnest money deposit shall be determined by the terms of the Sale Agreement.

8. BREACH OF RENTAL/LEASE AGREEMENT: If the property is rented or leased to Buyer under a Rental/Lease Agreement, and, prior to the Option Deadline, Buyer terminates the tenancy in violation of the Rental/Lease Agreement, abandons the Property, or a judgement of eviction is entered against Buyer, this Option Agreement and the Sale Agreement shall automatically terminate with no further action of Seller. In such case, the Option Payment shall be retained by Seller and this Option Agreement and the Sale Agreement shall be of no further binding effect except to the extent that Seller's and Buyer's rights to any earnest money deposit shall be determined by the terms of the Sale Agreement.

9. NO TRANSFER: Buyer shall not sublease, assign, transfer or convey any right, title or interest in this Option Agreement, the Sale Agreement, or the Property to any third party prior to or at the time of Closing. In the event of an unauthorized transfer, Seller shall retain the Option Money and the Sale Agreement shall be of no further binding effect except to the extent that Seller's and Buyer's rights to any earnest money deposit shall be determined by the terms of the Sale Agreement.

10. AMENDMENT: This Option Agreement may not be modified or amended except by written agreement, signed by Seller and Buyer.

11. WAIVER OF RIGHT OF REVOCATION UNDER PROPERTY DISCLOSURE/DISCLAIMER LAWS: Buyer expressly waives their right to revoke this Option Agreement and the Sale Agreement (if the Option is exercised). This means that Seller is not required to provide Buyer with Property Disclaimer or Disclosure.

12. DISPUTE RESOLUTION: Subject only to the following sentence, in the event of any dispute regarding any matters arising directly or indirectly out of this Option Agreement, the entire dispute resolution provisions contained in the Sale Agreement, including but not limited to the mandatory mediation and arbitration provisions thereof, shall apply. Notwithstanding the preceding provision, in the event Buyer is in default under a Rental/Lease Agreement, Seller shall have the immediate right to initiate court action for eviction pursuant to ORS 105.105, et. seq. This Paragraph 12 shall survive termination, cancellation or expiration of this Option Agreement.

Buyer Jason Fritz and Margaret McLarney Date 1/8/2008 Seller Marye Layton Date 1-10-08
Buyer Margaret McLarney Date 1/8/08 Seller _____ Date _____
Selling Licensee _____ Date _____ Listing Licensee _____ Date _____

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE AND DATE

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Principal Broker's Initials _____
Date _____

OREF 085-1



Sale Agreement # 20080112
Addendum **OPT-A**

ADDENDUM

ADDENDUM to that Real Estate Purchase and Sale Agreement dated January 12, 2008, between
CAM Development, Inc. (hereafter known as the Seller) and Jason Fritz and Margaret McLarney
(hereafter known as the Buyer) of the Property located at: 1237 ISLAND WAY North Bonneville WA 98636

The following provisions are made part of said Agreement:

A) This is an Addendum to that certain Option Agreement between the Parties bearing the same date as this Addendum.
B) As long as Buyer pays an Option fee of \$300 on or before January 12, 2008 and \$300 on the 1st day of each calendar month in 2008 thereafter ("The Initial Option Deposits"), the Option shall be valid through January 1, 2011. The Option may be extended thereafter on the Extension Dates of January 1, 2011; July 1, 2011; January 1, 2012; July 1, 2012; by Buyer paying an Option Fee of \$1,000 on or before each Extension Date ("The Option Extension Fees"). When an Extension is paid for, the Option shall be Extended until the next Extension Date. Should Buyer exercise all Option Extensions, the Option shall terminate on January 1, 2013. The Initial Option Deposits will apply on Buyer's behalf toward the Purchase Price, while the Option Extension Fees will not apply toward the Purchase Price.
D) Move-In Fees, Pet Fees, and Smoking Fees assessed at commencement of the Buyer's Tenancy shall be Credited to Buyer if Buyer Purchases the Property in accordance with the terms of the Purchase Agreement.

Except as modified, the Purchase and Sale Agreement entered between the parties shall remain in full force and effect as drafted.

Buyer:

Date:

Seller:

Date:

Buyer:

Date:

Seller:

Date:



Sale Agreement # 20080112

REAL ESTATE PURCHASE AND SALE AGREEMENT WITH EARNEST MONEY PROVISION

Date January 12, 2008
MLS# 7085071

**THIS IS A LEGAL AND BINDING AGREEMENT
PLEASE READ CAREFULLY BEFORE SIGNING**

1. **PARTIES:** SELLER: CAM Development, Inc.
BUYER: Jason Fritz and Margaret McLarney
2. **AGENCY DISCLOSURE:** Selling Licensee represents ☐ Buyer ☒ Seller ☐ both Buyer and Seller
☐ neither Buyer nor Seller,
Listing Licensee represents ☒ Seller ☐ both Buyer and Seller.
If the Selling and Listing Licensees are affiliated with the same Broker, and both Seller and Buyer are being represented (including by dual agents) then the Broker is a dual agent. Each party confirms that prior oral and/or written disclosure of agency was provided to them in this transaction and that each has received a copy of the document entitled "The Law of Real Estate Agency".
Buyer and Seller confirm that neither has entered into a written or oral agency relationship with another licensee or broker covering the services provided in this Agreement.
3. **PROPERTY:**
 - a. Address: 1227 ISLAND WAY North Bonneville WA 98636
 - b. Legal Description: Lot 26, Hamilton Island
Tax Parcel(s): 02072912022600 County: Skamania
 - c. **Services:** To Seller's knowledge, the following are available at the Property: ☒-natural gas ☒-electricity ☒-telephone
☒-cable tv ☒-public or community water system ☐-private water system or well ☐-irrigation system ☒-public sewer
☐-onsite sewage system ☐-other: _____
 - d. **Additional Included Items.** The following items of personal property are included with the Property: ☒-stove/range
☐-refrigerator ☐-washer ☐-dryer ☐-dishwasher ☐-trash compactor ☐-wood stove ☐-fireplace insert
☐-security system ☐-other: _____
Built-in appliances will be considered included regardless of whether checked above. In addition to the above items of personal property, the following additional items presently located on the Property are included, to the extent they are presently located on the Property: attached floor coverings; screen and storm windows and doors; window coverings and treatments; awnings; plumbing, lighting, heating, ventilating and cooling systems and fixtures (including light bulbs and filters); fireplace doors and gas logs; landscaping and attached irrigation equipment; hot tubs; attached television antennas/dishes and operating equipment (unless leased or rights to use are not transferable); soft water unit and/or fuel tank (unless leased); garage door openers and transmitters, except: _____. All listed items are to be transferred with the Property free and clear of liens and encumbrances and at no additional cost.
4. **PURCHASE PRICE:**
(\$269,900) Earnest Money: \$1000; to be held by ☐-Selling Broker
☒-Closing Agent; in the form of ☐-check ☐-cash ☒-promissory note (a copy of any check or note may be attached).
DEFAULT: ☒-Forfeiture of Earnest Money ☐-Seller's Election of Remedies. See paragraph 17b.
5. **INVESTIGATION/INSPECTION PERIOD:** A home inspection is recommended.
☐ Buyer elects not to conduct a home inspection
6. **TITLE COMPANY:** Skamania County Title Company **CLOSING AGENT:** _____

Buyer's Initials JF MM Date 1/8/2008Seller's Initials MM Date 1.10.08



Sale Agreement # 20080112

REAL ESTATE PURCHASE AND SALE AGREEMENT WITH EARNEST MONEY PROVISION

7. **EXPIRATION DATE:** Offer December 1, 2012 Counteroffer _____
8. **CLOSING DATE:** On or before the earlier of 30 days of Buyer issuing written notice of exercising Option to Purchase or January 1, 2013
9. **POSSESSION DATE:** ☐ 9:00 p.m. on Closing
☒ Other: Lease Option. Tenant is in possession. Pro-rations to be as of the Closing Date.
10. **OTHER ADDENDA AND ADDITIONAL PROVISIONS:** The following provisions and attached addenda if checked are part of this Agreement and receipt by the parties is hereby acknowledged.
☐-Condominium ☐-Manufactured Home ☐-Vacant Land and Acreage ☐-Financing ☒-Inspection ☐-Sale/Closing of Buyer's Property ☐-Buyer's Insurance ☐-Well/Septic ☒-Optional Clause ☐-Disclosure of Information on Lead Based Paint and Lead Based Paint Hazards ☐-For Your Protection: Get a Home Inspection (required with FHA financing) ☒-Mold Disclosure and Release ☒-Other: Lease Option
11. **PARTIES.** Seller and Buyer agree to sell and purchase the identified Property. Seller represents that Seller is the owner of or has full right and authority to sell the Property. Unless this Agreement states Buyer is acting as a nominee or has a right to assign, Buyer's rights under this Agreement may not be assigned by Buyer without Seller's prior written consent.
12. **PROPERTY.**
- a. **Legal Description.** Buyer and Seller authorize Broker/s and/or Closing Agent to correct unintended mistakes and omissions in the legal description, with Seller to be responsible for assuring its accuracy.
- b. **Seller to Maintain Property.** Seller shall use Seller's best efforts to maintain the Property in its condition as of the date of Mutual Acceptance and until Buyer is entitled to Possession. Buyer is entitled to receive access during the week prior to Closing (or receipt of possession if early possession is granted), at a mutually agreed and reasonable time, to walk through and visually inspect the Property. Walk-through not to be deemed a contingency.
- c. **Disclaimer of Boundaries and Size.** Unless otherwise specified in this Agreement, Seller makes no representations as to: the boundaries of the Property; the size or square footage of the Property or any improvements; or that any existing fences are the boundary of the Property.
13. **PURCHASE PRICE AND PAYMENT.** Except as expressly stated: (a) the Purchase Price will be paid in cash, inclusive of earnest money; and (b) Subject to any financing addenda included in this agreement, Buyer represents that it has funds sufficient to complete this transaction according to its terms. Buyer further represents that it is not relying on gifts, loans, future earnings or expectancies or any other contingent source of funds. Unless otherwise stated, any earnest money check, cash or note shall be provided by Buyer when offer is made. Any earnest money check shall be deposited within three (3) days after the Date of Mutual Acceptance. If anyone other than Selling Broker is appointed to hold the earnest money, any earnest money check shall nonetheless be held by the Selling Broker until the Date of Mutual Acceptance, and then transmitted within three (3) days of the Date of Mutual Acceptance to the person or entity designated to receive and hold such earnest money. If the amount of the earnest money deposit exceeds \$10,000.00, Buyer has the right to have the earnest money placed in an interest bearing trust account for Buyer's benefit. If Buyer chooses this option, Buyer shall complete and deliver a Form W-9. Otherwise, the earnest money shall be held in a non-interest bearing pooled trust account.
14. **INVESTIGATION/INSPECTION.**
 Buyer agrees that no information provided from or through the real estate licensees related to listing or marketing the Property, including information from the multiple listing service, in any advertising or in any other communication, constitutes a representation of fact, by the real estate licensees, and Buyer is to independently verify all such information. Buyer's investigation of these matters shall be at Buyer's sole expense. Buyer covenants and warrants to the Seller, the Brokers and

Buyer's Initials JP AK Date 11/8/2008Seller's Initials ML Date 1.10.09



Sale Agreement # 20080112

REAL ESTATE PURCHASE AND SALE AGREEMENT WITH EARNEST MONEY PROVISION

Licensees, that Buyer has conducted its own investigation of the Property, and that Buyer is not relying upon any information received from such parties, except as specified in this Agreement.

15. TITLE AND TITLE INSURANCE.

- a. **Condition of Title.** Unless otherwise stated, marketable title shall be conveyed by Statutory Warranty Deed free and clear of all encumbrances and defects, except those approved by Buyer. Rights reserved in federal patents or state deeds, building or use restrictions general to the area, existing easements, covenants and restrictions not inconsistent with Buyer's intended use, and building or zoning regulations or provisions shall not be deemed encumbrances or defects. Encumbrances to be discharged by Seller may be paid out of purchase money at date of closing.
- b. **Title Insurance.** An Alta standard form policy of title insurance shall be obtained from the Title Company, and Seller authorizes the licensees to obtain at Seller's cost, a preliminary title commitment to be given to both licensees and both parties. The title policy to be issued shall contain no exceptions other than those provided in said standard form plus encumbrances or defects excepted in Paragraph 15a above. If title is not so insurable as above provided and cannot be made so insurable prior to Closing, the earnest money shall be refunded and all rights of the parties terminated; provided, however, that Buyer may waive defects and elect to purchase. Buyer shall have no rights or claims based upon uninsurable title, unless caused by the voluntary action of Seller after Mutual Acceptance.

16. CLOSING AND POSSESSION.

- a. **Closing and Possession.** Closing of the sale and purchase of the Property shall occur on the date designated in paragraph 8 ("Date of Closing"), or earlier by mutual agreement. Buyer and Seller will promptly deposit with the Closing Agent all instruments and monies (in cash or by cashier's check) required to complete the transaction in accordance with this Agreement. For purposes of this agreement, "Date of Closing" shall be construed as the date upon which the Deed or any other conveyance document is recorded and proceeds of this sale are available to Seller. Funds held in reserve accounts pursuant to escrow instructions shall be deemed, for purposes of this definition, as available to Seller. Possession shall be considered transferred when Buyer has physical possession of the Property.
- b. **Closing Costs and Prorates.** Except as specified by applicable statute or regulation, Closing Agent's fees shall be shared equally between Buyer and Seller. Seller shall pay any real estate excise tax. Current year taxes, condominium and homeowner's association dues (unless otherwise provided by association rules), if any, rent, interest, insurance, and water and other utility usage charges shall be prorated as of Closing. Pursuant to RCW 60.80.20, Seller shall also provide the Closing Agent with names and addresses of the providers of all utilities possessing lien rights against the Property, including special districts entitled to collect charges in connection with the Property, and the Closing Agent shall disburse such funds as are necessary to satisfy charges unpaid as of the Date of Closing.
- c. **Closing Instruments.** Except as provided in this Agreement, if there are provisions for: (a) conveyance of fee title, title shall be conveyed by Statutory Warranty Deed; (b) sale and transfer of a vendee's interest under an existing real estate contract, Seller and Buyer shall execute Purchaser's Assignment of Contract and Deed LPB Form #14.

17. DEFAULT. In the event that either party fails without legal excuse to complete the purchase, the following provisions shall apply:

- a. **Forfeiture of Earnest Money.** If this option is checked on paragraph 4, Seller's sole and exclusive remedy for Buyer's default shall be the forfeiture of the Earnest Money up to a maximum of five percent (5%) of the Purchase Price. Any Earnest Money in excess of five percent (5%) shall be refunded to Buyer. This provision shall not, however, entitle Buyer to receive a return of other non-refundable amounts which may have been paid to Seller, such as early possession rent, extension fees designated as such, payments for upgrades, and Buyer specified modifications to new construction and similar items. If this option in paragraph 4 is not checked, Seller shall have the remedies provided in paragraph b below.
- b. **Remedies for Default.** Upon a default by Buyer or Seller, the non-defaulting party may seek specific performance, or any other legal or equitable remedies.

Buyer's Initials SR (MNO) Date 1/8/2008Seller's Initials MNG Date 1.10.08



Sale Agreement # 20080112

REAL ESTATE PURCHASE AND SALE AGREEMENT WITH EARNEST MONEY PROVISION

c. **Earnest Money Disbursement.** If a dispute should arise regarding the disbursement of any Earnest Money, the party holding the Earnest Money may interplead the funds into court, after deducting and retaining costs of the interpleader, including reasonable attorneys' fees.

18. **ACCEPTANCE OF OFFERS AND COUNTEROFFERS.** Seller shall have until the Date Buyer's Offer Expires on Paragraph 7 to accept Buyer's initial offer, unless Buyer's offer is earlier withdrawn. If Seller makes a counteroffer, Buyer shall have until the Date Seller's Counteroffer Expires on Paragraph 7 to accept Seller's Counteroffer, unless Seller's counteroffer is earlier withdrawn. Any offer or counteroffer for which no acceptance date is stated shall be considered to provide two (2) days for acceptance unless earlier withdrawn by the offering party. An offer or counteroffer shall be considered accepted when a copy signed by all necessary parties has been delivered or transmitted by facsimile to the office of the Broker representing the last offering party (or to a party directly, if the party is not represented by a Broker).

19. **COMMISSION.** A commission shall be paid as provided in any listing or other written commission agreement. Seller irrevocably assigns a portion of Seller's proceeds, and Buyer irrevocably assigns a portion of Buyer's funds, to the Brokers sufficient to satisfy the commission obligation. This assignment may only be modified by written agreement signed by the Brokers. The commission shall be divided between the Brokers in accordance with the published listing.

20. **CONTINGENCIES AND ADDENDA.** Except as expressly provided in this Agreement or as required by law, Buyer's obligations are not subject to any contingencies. If any applicable contingency is not satisfied or waived, and unless Buyer or Seller defaults, this Agreement shall terminate and the earnest money shall be refunded to Buyer.

21. GENERAL PROVISIONS.

- a. **Notices.** Notice must be in writing. Notices from one party to the other must be signed by at least one (1) Seller or one (1) Buyer, as applicable. Notices from one party to the other shall be deemed given when actually received by the party or received by the Listing Broker (for Notices to Seller) and Selling Broker (for Notices to Buyer). Both parties must keep Brokers informed of how and where they may be contacted. Brokers and Licensees have no responsibility for Notices beyond calling the party or delivering the Notice to the party's last known address.
- b. **Computation of Time.** In computing any period of time under this Agreement, the period shall begin to run on the day after the triggering act or event. The last day shall be included in the computation. Except for the Date that offers and counteroffers expire, if the last day is a Saturday, a Sunday or a legal holiday, the period shall run until the end of the next day which is neither a Saturday, a Sunday nor a legal holiday (as defined by RCW 1.16.050). When the period of time is five (5) days or less, intermediate Saturdays, Sundays and legal holidays shall be excluded from the computation. The time period shall expire at 9:00 p.m. of the last day.
- c. **Transmission of Notices and Documents.** Facsimile Transmissions or re-transmissions shall constitute delivery of an original, except that the parties will upon request re-sign an original copy. This Agreement may be signed in any number of counterparts. Unless otherwise provided, e-mail transmission shall not be effective.
- d. **Integration. THIS AGREEMENT REPRESENTS THE FINAL INTEGRATED CONTRACT OF THE PARTIES AND SUPERSEDES ANY PRIOR MLS DATA FORMS, PROPOSALS, OFFERS, NEGOTIATIONS, REVISIONS, UNINCORPORATED WRITTEN COMMUNICATIONS OR ORAL DISCUSSION, STATEMENTS, REPRESENTATION OR AGREEMENTS.**
- e. **Time is of the Essence.** Time is of the essence of this Agreement and all provisions hereof.
- f. **Continued Marketing.** Buyer acknowledges that Seller may continue to market the Property and may accept backup offers.
- g. **Attorney's Fees.** In the event litigation arises out of this Agreement or any aspect of this sale (including the obligation to pay a commission), the losing party agrees to pay the prevailing party's attorney's fees incurred in the litigation.

Buyer's Initials MF MW Date 1/8/2008Seller's Initials MLL Date 1/10/08



Sale Agreement # 20080112

REAL ESTATE PURCHASE AND SALE AGREEMENT WITH EARNST MONEY PROVISION

- 188 h. **FIRPTA.** Seller and Buyer agree to comply with FIRPTA (the Federal Investment in Real Property Tax Act), and instruct
189 Closing Agent to prepare any necessary forms and certifications, withhold any necessary proceeds, and otherwise comply
190 with FIRPTA.
191 i. **Date of Mutual Acceptance.** The Date of Mutual Acceptance is the date upon which all parties have fully executed this
192 Agreement, and a copy thereof has been transmitted to each party or their respective agent.
193 j. **Paragraph Headings.** Paragraph headings are solely for the convenience of the reader, and do not modify or affect the
194 terms of this Agreement.
195

- 196 **22. RESPONSIBILITY FOR INFORMATION.** Buyer and Seller agree and warrant that: except as expressly provided to the
197 contrary in this Agreement, all representations and information regarding the Property and the transaction are solely from the
198 Seller or Buyer, and not from any of the Brokers or Licensees. Seller and Buyer shall indemnify and hold the real estate
199 Brokers and Licensees harmless in the event any of their statements or information are false. The parties also acknowledge
200 that none of the Brokers or Licensees is responsible for assuring that either Buyer or Seller performs their obligations to the
201 other under this Agreement. The parties further agree and acknowledge that none of the Brokers or Licensees have agreed to
202 independently investigate or confirm any matter or item related to this transaction except as is specifically stated here, or in a
203 separate writing signed by such Broker or Licensee.
204

205 The parties authorize the Licensees to report the terms of this Agreement to the multiple listing service, to other agents, to the
206 Closing Agent, Inspector(s), Appraiser, Financial Institutions, Lenders and any necessary person or entity (collectively the
207 "Third Parties"). The parties authorize all such Third Parties to disclose any information, documents or status as requested by
208 the Licensees, and the parties agree to promptly execute any written waivers necessary to accomplish such authorization.
209

- 210 **23. LEAD-BASED PAINT CANCELLATION RIGHTS.** If any dwelling on the Property was constructed before 1978, Seller shall
211 provide Buyer with the addendum entitled "Disclosure of Information on Lead-Based Paint Hazards" ("Lead Paint Addendum"),
212 which is made part of this Agreement by this reference. Buyer shall have the unconditional right to terminate this Agreement
213 for three (3) days following Buyer's receipt of the completed Lead Paint Addendum.
214

- 215 **24. DISCLAIMER OF PROPERTY CONDITION.** Buyer acknowledges: (a) that Brokers and Licensees do not warrant nor
216 guarantee the value or condition of the Property or any improvements on the Property; (b) that Brokers and Licensees are not
217 qualified to identify defects in materials or workmanship or to identify evidence of pest or dry rot infestation on the Property; (c)
218 that some siding, and other products, have been the subject of litigation and class action lawsuits; (d) that certain conditions
219 can lead to the existence of molds, fungi or other growth which may be a health hazard; (e) that Buyer has been advised to
220 retain an inspector or inspectors of Buyer's choice to inspect and evaluate the Property; and (f) that the real property you are
221 considering for purchase may lie in close proximity to a farm, the operation of which involves usual and customary agricultural
222 practices, which are protected under RCW 7.48.305, the Washington right to farm act.
223

- 224 **25. NO ORAL MODIFICATION OR WAIVER.** This Agreement may not be changed or amended orally, but only by written
225 agreement between the parties.
226

- 227 **26. DAMAGE TO PROPERTY PRIOR TO CLOSING.** If, prior to Closing, all or any portion of the Property is damaged by fire or
228 other natural casualty, then Buyer may, upon Notice to Seller, terminate this Agreement. In such event, any earnest money
229 deposit shall be returned to Buyer
230

- 231 **27. GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of
232 Washington.
233

Buyer's Initials JTC / (MIA) Date 1/8/2008

Seller's Initials MEL Date 1.10.08





Sale Agreement # 20080112

REAL ESTATE PURCHASE AND SALE AGREEMENT WITH EARNEST MONEY PROVISION

28. SURVIVAL. All agreements, warranties, limitations of warranties, and disclaimers contained herein shall continue to be binding after the closing of this transaction.

NOTICE: THIS AGREEMENT HAS SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. IF YOU DO NOT UNDERSTAND THE EFFECT OF ANY PART, INCLUDING ANY ADDENDA, YOU ARE ADVISED BEFORE SIGNING TO SEEK INDEPENDENT LEGAL AND FINANCIAL COUNSEL BEFORE SIGNING. THE BROKERS AND LICENSEES CANNOT GIVE YOU LEGAL ADVICE. EACH OF THE UNDERSIGNED HAS READ THIS ENTIRE AGREEMENT AND AGREES TO BE BOUND BY ALL TERMS AND PROVISIONS.

Buyer: [Signature] Date: 1/8/2008

Buyer: [Signature] Date: 1/08/08

Selling Broker: Village Realty Metro

Selling Licensee(s): Marcus Fullard-Leo

Phone: (Work) 360-903-3628 (Home) _____

Fax: 503-669-9752 Email: _____

Buyer's Present Address: 704 Fort Rains, North Bonneville, WA Zip: 98639

Phone: (Work) 509-427-7700 (Home) 509-427-4932

Fax: _____ Email: _____

Seller: _____ Date: _____

Seller: _____ Date: _____

Seller's Name Printed: CAM Development, Inc. Date: _____

Listing Broker: Village Realty Metro

Listing Licensee(s): Marcus Fullard-Leo

Phone: (Work) 360-903-3628 (Home) _____

Fax: 503-669-9752 Email: _____

Seller's Address: PO Box 1000 Stevenson WA Zip: 98648

Phone: (Work) _____ (Home) 503-793-7900

Fax: _____ Email: _____

Seller(s) authorize their lender to provide information to the Closing Agent regarding their loan, including information on the status of the loan, restrictions, and payoff quotations.

Seller's Loan #: _____

Mortgagee's Name/Address: _____

Buyer's Initials JF [Signature] Date 1/8/2008

Seller's Initials MLL Date 1.10.08





Sale Agreement # 20080112
Addendum

OPTIONAL CLAUSE ADDENDUM

The following terms and conditions are added to the Purchase and Sale Agreement (this "Agreement"), dated January 12, 2008, between CAM Development, Inc. ("Seller"), and Jason Fritz and Margaret McLarney ("Buyer"), concerning the Property located at: 1227 ISLAND WAY North Bonneville WA 98636.

1. ☐ Seller's Personal Property. At the time possession of the Property transfers to Buyer, Seller shall ensure that all trash and debris is removed from the Property and the Property is transferred in clean condition. Any personal property remaining when Buyer takes possession shall be considered abandoned by the Seller.
2. ☐ Extended Coverage Policy. Notwithstanding Paragraph 15 of the Purchase and Sale Agreement, Buyer or their Lender has requested an ALTA extended coverage policy of title insurance. Unless Seller agrees otherwise, Buyer shall pay the excess premium and the cost of any necessary inspections or surveys required by the title company to furnish said policy. The refusal of the title company to provide an extended coverage policy shall not be a condition of closing.
3. ☒ New Construction. This section is mandatory for all new construction. If information is not available to Seller at the time of this Agreement, then Seller agrees to provide the information as soon as it becomes available.

Wall Insulation

R-21

5 1/2"

Fiberglass

Type

Thickness

R-Value

Ceiling Insulation

R-38

18"

Blown Fiberglass

Type

Thickness

R-Value

Other Information: _____

4. ☒ Commission Due Upon Closing. In the absence of any other written agreement, Seller agrees to pay Selling Broker a commission of ☐ \$ _____ OR ☒ four and one-half % of the sales price. Said commission shall only be due and payable upon closing of this transaction.
5. ☐ Leases. Seller hereby discloses that the following personal property is leased and the Lease shall be assigned to Buyer at closing: _____
Lessor's Name: _____
Seller shall make arrangements to obtain a release from Lessor for further responsibility under the terms of said Lease.
6. ☐ Fuel Tank Reimbursement. Buyer shall, at closing, reimburse Seller for remaining fuel in any fuel tank. Seller must provide to Buyer a written statement, from a knowledgeable independent third party, regarding the amount of remaining fuel and the current fuel prices.

7. ☒ Other.

A) Further Reference is made to a Lease Agreement and Option to Purchase Agreement between the parties. A default on any one of these 3 Agreement shall be considered a default of all of these Agreements.

B) On January 1, 2009 the Purchase Price shall be increased by two and one-half percent (2.5%). Annually thereafter commencing on January 1, 2010, the Purchase Price shall increase by five percent (5%). Purchase Price Increases shall be cumulative and shall compound on previous increases.

Buyer's Initials JF

Date 1/8/2008

Seller's Initials MC

Date 1-10-08





Sale Agreement # 20071101wa
Addendum

OPTIONAL CLAUSE ADDENDUM

48 NOTE REGARDING LEGAL EFFECT: This is a binding document, and both Buyer and Seller are advised to obtain legal advice
49 prior to execution of this addendum.
50

51 Buyer: [Signature] Seller: [Signature]
52 Date: 1/8/2008 Date: 1.10.08

53
54 Buyer: [Signature] Seller: _____
55 Date: 1/8/08 Date: _____

Unofficial Copy

Buyer's Initials JE / [Signature] Date 1/8/2008

Seller's Initials MTF Date 1.10.08





Sale Agreement #20080112
Addendum

INSPECTION ADDENDUM

The following terms and conditions are added to the Purchase and Sale Agreement (this "Agreement"), dated January 12, 2008, between CAM Development, Inc. ("Seller"), and Jason Fritz and Margaret McLarney ("Buyer"), concerning the Property located at: 1227 ISLAND WAY North Bonneville WA 98636.

1. Agreement Is Contingent Upon Inspection. This Agreement is contingent upon Buyer's review and approval of a written home inspection report, to be prepared by a qualified professional(s) of Buyer's choice and at Buyer's expense. Buyer agrees to repair any damage that may be caused by the inspection of the Property. The inspection may cover all portions of the Property, the improvements thereon, and compliance with applicable codes and laws. Buyer may disapprove the inspection report on the basis of any condition identified in the inspection report that the inspector recommends be corrected. Seller shall have the right to make repairs, if so provided below.
2. Inspection Time Period. This contingency shall be conclusively deemed satisfied unless within _____ days (10 days if not filled in) of Mutual Acceptance, the Seller or Listing Agent receives a copy of the written inspection report and a Notice from Buyer identifying the conditions contained within the inspection report to which Buyer objects. Unless otherwise expressly stipulated in this Agreement, radon levels which do not exceed current EPA guidelines shall not require correction. FAILURE TO COMPLY WITH THE TERMS OF THIS PARAGRAPH SHALL RENDER BUYER'S NOTICE VOID AND THE INSPECTION CONTINGENCY SATISFIED.
3. Extension of Time Period. If the inspection report recommends additional tests, Buyer shall have an additional _____ days (5 days if not filled in) from the date of such report to perform the additional tests. Buyer must provide Notice of its intention to conduct additional tests. The Notice must be received within the time period in Paragraph 2, and the Notice must be accompanied by the written report, otherwise this Paragraph shall not apply.
4. ☐ Buyer's Approval. If this Paragraph 4 is checked, Seller shall have no right to make repairs. Buyer shall have the right to terminate this Agreement, or in the alternative Buyer may propose that Seller make repairs to the Property, or Buyer may propose a modification of this Agreement. The parties shall use form WREF-42-I "Inspection Notice – Buyer's Response to Inspection", the provisions of which are incorporated herein.
5. ☒ Seller's Right To Repair. If this Paragraph 5 is checked, Seller shall have the right to repair any items to which Buyer objects. The parties shall use form WREF-41-I "Inspection Notice – Buyer's Response/Seller's Election", the provisions of which are incorporated herein.
6. ☐ Buyer's Waiver of Inspection. Buyer elects to waive the right of professional inspection and buy the Property in its present condition. Buyer's decision to waive inspection is based upon Buyer's own independent decision, and is not the result of any representations or statements by the Seller or the Agents.
7. Conditions for Repairs. All repairs by Seller shall be completed by the Closing Date, and shall be completed in a workmanlike manner, and in compliance with all applicable codes and regulations.
8. Hazardous Substances. If the inspection report reveals hazardous substances on or in the Property, Seller's removal of the hazardous substances shall comply with all applicable regulations, and Buyer may require a Letter of No Further Action or equivalent, from the applicable governmental agency.
9. Oil Storage Tanks. The parties agree, unless specifically stated otherwise in this Agreement, that any testing regarding underground storage tanks shall be limited to the existence or nonexistence of such tanks only.
10. ☒ Seller Disclosure Statement. Buyer waives the right to receive an amended Seller Disclosure Statement (form WREF-20-D) pursuant to RCW 64.06 based on conditions identified in any inspection report(s).

Buyer's Initials JF / (Mw) Date 1/8/2008

Seller's Initials MTL Date 1.10.08





Sale Agreement # 20080112
Addendum

INSPECTION ADDENDUM

- 49
50 11. Re-Inspection After Repairs. Buyer may, at Buyer's expense, have the repair work inspected by the inspector who prepared
51 the original report within ____ days (3 days if not filled in) after Seller gives Notice that the repairs are completed. Seller's
52 Notice of Completion must be received at least three (3) days prior to the Closing Date, otherwise the Closing shall be
53 extended one day for each day the Notice is late, but in no event shall Closing be extended more than three (3) days.
54
55 12. ☐ Earnest Money Deposit. The Earnest Money shall be held by the Selling Broker, until the Inspection Contingency is
56 satisfied or waived, at which time the Earnest Money shall be deposited in accordance with the requirements of this
57 Agreement.
58
59 13. ☐ Neighborhood Evaluation or Review. If this box is checked, then this Agreement is contingent upon Buyer's review and
60 approval of a Neighborhood Evaluation. Buyer is advised that its review should include, but not be limited to, review of the
61 following: local schools, local school district, noise levels and potential development and use of surrounding areas and streets.
62 This contingency shall be conclusively deemed satisfied unless the Seller or Listing Agent receives a written Notice from Buyer
63 rejecting the Neighborhood Evaluation, in which case this Agreement shall terminate. The Notice from Buyer must be
64 received within the time period set out in Paragraph 2, or the date Buyer gives notice under Paragraph 2, whichever is earlier.
65 If this Agreement is not contingent upon a home inspection report, then the Notice from Buyer must be received within ____
66 days (5 days if not filled in).
67
68 14. Other. Buyer acknowledges that because this purchase agreement is part of a lease option that Buyer has been
69 advised to inspect the home prior to entering into a rental agreement which allowed for an option to purchase. At the
70 time Buyer entered into the rental agreement, Buyer found the Property to be acceptable. Buyer agrees that should
71 Buyer elect not to purchase this Property that Buyer is not entitled to a return of any of the Rent, Option Fees, Move-
72 in and Pet Fees, or any other monies paid unless those monies are specifically designated as being "Refundable" or
73 "Conditionally Refundable".
74
75

76 Buyer: _____

Seller: _____

77 Date: _____

Date: _____

78
79 Buyer: _____

Seller: _____

80 Date: _____

Date: _____

Buyer's Initials JP

(PMA)

Date 1/8/2008

Seller's Initials ME

Date 1-10-08





Sale Agreement #20080112
Addendum

MOLD DISCLOSURE and RELEASE ADDENDUM

The following terms and conditions are added to the Purchase and Sale Agreement ("Agreement"), dated January 12, 2008, between CAM Development, Inc. ("Seller"), and Jason Fritz and Margaret McLarney ("Buyer"), concerning the Property located at: 1227 ISLAND WAY North Bonneville WA 98636.

1. Seller and Buyer are advised that Molds may be present in the Property. Seller and Buyer also acknowledge that none of the real estate agents or brokers involved in this transaction is an expert regarding the identification of, detection of, presence of, significance of, or treatment of Molds. Seller acknowledges it is their responsibility to disclose any information they know about Molds at the Property, and conditions that could lead to the presence of Molds. Buyer understands that the real estate brokers and licensees involved in this transaction are not responsible for undertaking any separate investigation, inspection, evaluation or disclosure with regard to Molds or conditions that could lead to the presence of Molds.

For purposes of this provision, Seller and Buyer acknowledge that Molds include fungus and microbes. Fungus includes any form of fungus, including but not limited to yeast, mold, mildew, rust, smut or mushroom. Microbes mean any non-fungal microorganism or non-fungal colony-form organism.

2. While the real estate brokers and licensees do not have specialized expertise with regard to Molds, the parties understand and acknowledge that Molds are generally understood to be living organisms that feed on organic material. They are apparently a natural part of outdoor and indoor air. However, when Molds germinate and grow, they can produce spores. Recently, concern has risen in various parts of the country that elevated levels of Mold spores in indoor living or working environments may increase the risk of adverse health effects, particularly respiratory problems.

One type of Mold, commonly referred to as "black mold", is generally considered the most likely to be harmful. This Mold is believed to require a lot of moisture to grow, so finding it indoors indicates significant moisture accumulation. It can apparently grow on material with high fiber and low nitrogen content, such as paper (including wallpaper and the paper covering gypsum wallboard), wood, carpet or insulation. Apparently, Mold growth once started will continue until the presence of significant moisture accumulation is stopped.

3. Seller acknowledges that Seller has the sole responsibility for disclosing to Buyer in writing any knowledge Seller has regarding the presence of Molds or conditions that could lead to the presence of Molds at the Property. Seller agrees to indemnify and hold the real estate brokers and agents involved in the transaction harmless from any loss, injury, claim or damage allegedly arising in any way in connection with a claimed failure of Seller to disclose known material facts related to Molds or moisture conditions which could cause or lead to the presence of Mold.

4. Buyer acknowledges that Buyer is solely responsible for determining whether to undertake any professional evaluation or inspection to determine the presence, effect of, and recommended course of treatment or actual treatment for any known, disclosed or potential Molds at the Property. Buyer acknowledges that no real estate broker or licensee has any responsibility or obligation in connection therewith.

5. In addition, the parties are advised that, in general some steps can be followed to reduce the amount of mold in a property or prevent it from growing, including:

- Dry water-damaged areas and items within 24-48 hours to prevent mold growth.
- Fix leaky plumbing or other sources of water.
- Wash mold off hard surfaces with detergent and water, and dry completely.
- Absorbent materials (such as ceiling tiles and carpet) that become moldy may have to be replaced.
- Reduce indoor humidity (to 30%-60%) to decrease mold growth by: venting bathrooms, dryers and other moisture-generating sources to the outside; using air conditioners and de-humidifiers; increasing ventilation; using exhaust fans whenever cooking, dishwashing and cleaning.
- Indoor plants are another source of moisture that can raise humidity and contribute to mold growth.

Buyer's Initials JF

Date 1/8/2008

Seller's Initials McL

Date 1.10.08

Page 1 of 2

WREF-22-D

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Sale Agreement # 20080112
Addendum

MOLD DISCLOSURE and RELEASE ADDENDUM

The above is intended as general advice and not as a substitute for professional advice. More information can be obtained from the Environmental Protection Agency, including its publications: "A Brief Guide to Mold, Moisture, and Your Home" that may be obtained via the Internet at www.epa.gov/iaq/molds/index.html.

6. Remainder of Agreement Unchanged. Except as modified by this Addendum, the remainder of the Agreement between the parties shall remain unchanged.

Seller's Initials MLG Date 1.10.08

Buyer's Initials [Signature] Date 1/8/08

Seller's Initials 1 Date

Buyer's Initials JBR Date 1/8/2008

RELEASE: BASED ON THE ABOVE, SELLER AND BUYER ACKNOWLEDGE THAT NO REAL ESTATE BROKER OR LICENSEE HAS RESPONSIBILITY FOR ANY CLAIM, MATTER, CONDITION, LOSS OR DAMAGE ASSOCIATED IN ANY RESPECT WITH MOLDS. SELLER AND BUYER ACKNOWLEDGE THAT THIS WAIVER AND RELEASE HAS BEEN SPECIFICALLY NEGOTIATED AS PART OF THE BASIS OF THE AGREEMENT FOR SERVICES TO BE PROVIDED BY THE REAL ESTATE BROKERS AND LICENSEES INVOLVED IN THIS TRANSACTION, IT DEFINES AND LIMITS THE SCOPE OF OBLIGATIONS OWED BY THE BROKERS AND LICENSEES TO ANY OF THE PARTIES, AND ALLOCATES THESE RESPONSIBILITIES SOLELY TO THE SELLER AND BUYER, AS DESCRIBED ABOVE.

Buyer: [Signature] Seller: Mary Glavin
Date: 1/8/2008 Date: 1.10.08

Buyer: [Signature] Seller:
Date: 1/8/08 Date:

Buyer's Initials JBR [Signature] Date 1/8/2008

Seller's Initials MLG Date 1.10.08





Sale Agreement # 20080112
Addendum

PROMISSORY NOTE
(Earnest Money)

1 Seller: CAM Development, Inc.

2 Buyer: Jason Fritz and Margaret McLarney

3 Property Address: 1227 ISLAND WAY North Bonneville WA 98636

5 The undersigned Buyer, hereby agrees to pay the sum of \$1000, due and payable, without interest as follows:

7 ☐ Within two (2) business days after Mutual Acceptance of the Purchase and Sale Agreement.

8 ☐ Within two (2) business days after satisfaction or waiver of the Inspection Contingency.

9 ☒ Other: Within 2 business days of issuing written notice that Buyer is exercising their right to purchase under
10 the Lease Option Agreement

12 Payment is to be made to:

14 ☒ Skamania County Title Company

15 ☐ The Trust Account of _____

17 This Note shall bear interest after maturity at the rate of 12% per annum. If this Note is placed into the hands of an attorney for
18 collection, the Buyer agrees to pay a reasonable attorney's fee. The obligations of this Promissory Note are joint and several.

20 This Promissory Note is for the benefit of the Seller, and upon default, Seller shall be entitled to an assignment of, and the right to
21 collect, this Promissory Note. Brokers and Licensees shall have no duty or obligation to take any action to enforce this Promissory
22 Note or for attorneys fees and costs incurred thereby.

24 Buyer: Jason Fritz

Buyer: Margaret McLarney

25 Date: 1/8/2008

Date: 1/8/2008

27 Seller hereby accepts this Promissory Note as earnest money for the Sale of the above referenced property.

29 Seller: Margaret McLarney

Seller: _____

30 Date: 1-10-08

Date: _____

Buyer's Initials JF (MR) Date 1/8/2008

Seller's Initials MM Date 1-10-08



PARCEL III

Lot 26 of the Hamilton Island PUD, according to the recorded plat thereof, recorded in Auditor File No. 2006161510, in the County of Skamania, State of Washington.

Together with a portion of Lot 27 Hamilton Island PUD, according to the recorded plat thereof, recorded in Auditor File No. 2006161510, in the County of Skamania, State of Washington, describes as follows:

Beginning at the Southeast corner of said Lot 26, which is also the Southwest corner of Lot 27; thence Easterly along said South line, 11 feet, more or less to the Southwest corner of a tract of land conveyed to CAM Development by instrument recorded in Auditor File No. ; thence North 02°44'24" East along said West line 69.53 feet to the North line of Lot 27; thence Northwesterly along said North line 11.36 feet more or less to the Northeast corner of said Lot 26, which is also the Northwest corner of Lot 27; thence Southerly along the East line of Lot 26, a distance of 72.51 feet to the point of beginning.

Now 2-7-29-1-2-226

PARCEL IV