

**AFTER RECORDING MAIL TO:**

Jeffrey Baker  
Annala, Carey, Baker, Thompson & VanKoten, P.C.  
305 Cascade – P.O. Box 325  
Hood River, OR 97031

**OPTION AGREEMENT**

**Grantor:** Red Bluff Communications, Inc., a Washington corporation.  
**Grantee (Beneficiary):** Columbia Crest Properties, Sandy Dean and Associates, Inc., a Washington corporation.  
**Abbreviated Legal:** Lot 6 and portion of Lots 7 & 8, Block 5, Riverview Addition to Town of Stevenson, Book A, Page 21, Skamania County Records.  
**Assessor's Parcel #:** 02-07-01-1-1-0101-00

**DATE:** June 25, 2008. (“Effective Date”)

**FROM:** Red Bluff Communications, Inc. (“Lessor” or Owner”)  
2571 Loop Road  
Stevenson, WA 98648

**TO:** Columbia Crest Properties, Sandy Dean (“Lessee” or “Optionee”)  
and Associates, Inc.  
1000 W. Stueben  
Bingen, WA 98605

## RECITALS

Owner owns the real property and improvements located at 138 Second Street, Stevenson Washington, and more particularly described as follows (hereinafter the "Property"):

Lot 6 and portion of the North 60 feet of lots 7 and 8 lying East of the Easterly wall of the concrete building (as existed August 16, 1945) Block 5, RIVERVIEW ADDITION TO THE TOWN OF STEVENSON, according to the official plat thereof, recorded in Book A, Page 21, Records of Skamania County, Washington.

SUBJECT TO: Easement for ingress, egress and parking over and across the East 10 feet of the North 70 feet as reserved in Deed from Donald W. Relyea, recorded June 29, 1990 in Book 119, Page 561, Auditor's File No. 109559, Skamania County Deed Records.

Lessee/Optionee wishes to lease the Property from Owner pursuant to a Lease Agreement executed by these parties coincident with the execution of this Option Agreement for a term commencing with the Effective Date hereof and concluding with the termination of said Lease Agreement, including any renewal terms thereof (currently scheduled to conclude on July 31, 2013).

Owner is willing to provide, and Optionee is willing to accept, an exclusive option to purchase the Property during the term of the aforementioned Lease Agreement according the terms and conditions contained in this Option Agreement. The parties intend that this document will evidence their mutual understanding with regard to this Option Agreement.

The parties therefore agree as follows:

## AGREEMENT

### 1. Grant of Option

Owner in exchange of good and valuable consideration from Optionee, the receipt of which is acknowledged by Owner, grants to Optionee the sole and exclusive option to purchase and acquire the Property in the manner stated in this Agreement.

### 2. Option Terms

**2.1 Term.** The term of the Option (the "Term") shall commence with the above-stated Effective Date and shall continue during the term, and any renewals thereof, of the Lease Agreement for the Property executed by these same parties coincident with the execution of this Option Agreement, which according to its current provisions is set to conclude on July 31, 2013.

**2.2 Exercise of Option.** This option shall be exercised, if at all, by written notice (the "Exercise Notice") given by Optionee to Owner at any time during the Term, which notice shall state that Optionee has elected to exercise this option. Upon exercise of this option, Owner shall be obligated to transfer the Option Property to Optionee, in the manner herein set forth.

**2.3 Failure to Exercise Option.** If Optionee fails for any reason to exercise this option in the manner set forth herein, Optionee shall have no further claim against or interest in the Property.

### **3. Remedies**

**3.1 Optionee.** If Owner breaches any provision of this Agreement, then Optionee, as its exclusive remedy and in lieu of any other relief, may tender performance of the obligations of Optionee and specifically enforce all obligations of Owner.

**3.2 Owner.** If Optionee breaches any provision of this Agreement, and regardless of whether the breach occurs before or after Optionee notifies Owner of the exercise of the Option, then Owner, as its exclusive remedy and in lieu of any other relief, shall be entitled to terminate this Agreement by giving Optionee written notice of termination. Owner acknowledges (1) the adequacy of this exclusive remedy and (2) that this limitation of remedies is an essential part of this Agreement from the perspective of Optionee. Owner expressly waives the right to pursue any other right or remedy in law or equity other than the remedy specified above, including the right of specific performance and the right to sue for damages, in the event of a default by Optionee. Optionee and Owner have established the foregoing remedy in favor of Owner because of the difficulty and inconvenience of ascertaining the actual damages Owner may suffer as a result of a breach of this Agreement by Optionee.

**3.3 Other Remedies.** The limitations on remedies set forth in this section shall not preclude either party from seeking or obtaining injunctive relief or from seeking recovery against the other under any contractual indemnity set forth herein or for causing physical damage or injury to persons or property.

### **4. Closing**

**4.1 Time and Place.** Closing of the acquisition of the Option Property (the "Closing") shall occur on a date (the "Closing Date") selected by Optionee, but in all events the Closing shall occur within ninety (90) days after the date that the Exercise Notice is given. The escrow for the Closing shall be established at the office of Skamania County Title Company (the "Title Company"), at Stevenson, Washington.

**4.2 Closing Obligations.** On the Closing Date, Owner and Optionee shall deposit the following documents and funds in escrow, and the Title Company shall close escrow in accordance with the instructions of Owner and Optionee.

**4.2.1** Owner shall deposit the following:

- (1) The conveyance documents described herein, duly executed and acknowledged;
- (2) Such documents as Optionee or the Title Company may require to evidence the authority of Owner to consummate this transaction; and
- (3) Such other documents and funds, including (without limitation) escrow instructions, as are required of Owner to close the sale in accordance with this Agreement.

**4.2.2** Optionee shall deposit the following:

- (1) Such documents as Owner or the Title Company may require to evidence the authority of Optionee to consummate the transaction contemplated; and
- (2) Such other documents and funds, including (without limitation) escrow instructions, as are required of Optionee to close the sale and purchase of the Property in accordance with this Agreement.

**4.3 Costs.** Owner and Optionee shall each pay an equal share of the escrow fee charged by the Title Company with respect to the Closing. The owner shall be responsible for all conveyance or excise taxes payable by reason of the transfer of the Option Property. Optionee shall pay the fee for recording the conveyance documents referred to herein.

**5. Conveyance**

**5.1 Purchase Price.** The purchase price for the Property pursuant to this Option Agreement shall be \$250,000.

**5.2 Payment of Purchase Price.** The purchase price for the Property shall be payable by Optionee to Owner at "Closing", as that term is defined herein, or at such other date as the parties may otherwise mutually agree.

**5.3 Closing.** At the Closing, Owner shall execute, acknowledge, and deliver to Optionee a Statutory Warranty Deed conveying the Property to Optionee.

**6. Possession**

Optionee shall be entitled to exclusive possession of the Option Property on and after the Closing Date.

## **7. Recording**

Optionee, at its sole option, may record this option or a memorandum of same, if it wishes to do so, at any time while this Agreement remains valid.

## **8. Waiver**

Failure by Owner or Optionee to enforce any right under this Agreement shall not be deemed to be a waiver of that right or of any other right.

## **9. Successors and Assigns**

Subject to the limitations on Owner's right to convey the Property set forth elsewhere herein, the terms, covenants, and conditions herein contained shall be binding on and inure to the benefit of the heirs, successors, and assigns of Owner and Optionee. Optionee may assign its interest in this Option Agreement to any person or entity, with the consent of Owner, which consent may not be unreasonably withheld.

## **10. Notices**

All notices required or permitted to be given shall be in writing and shall be deemed given and received on personal service or deposit in the United States Mail, certified or registered mail, postage prepaid, return receipt requested, addressed as follows:

To Owner: James N. Price, President  
Red Bluff Communications, Inc.  
2571 Loop Road  
Stevenson, WA 98648

To Optionee: Sandy Dean, President  
Columbia Crest Properties, Sandy Dean and Associates, Inc.  
1000 W. Stueben  
Bingen, WA 98605

The foregoing addresses may be changed by written notice, given in the same manner. Notice given in any manner other than the manner set forth above shall be effective when received by the party for whom it is intended.

## **11. Attorney Fees**

If litigation is instituted with respect to this Agreement, the prevailing party shall be entitled to recover from the losing party, in addition to all other sums and allowable costs, its reasonable attorney fees, both in preparation for and at trial and any appeal or review, such amount to be set by the court before which the matter is heard.

## **12. Integration, Modification, or Amendments**

This Agreement contains the entire agreement of the parties with respect to the Option Property and supersedes all prior written and oral negotiations and agreements with respect to the Option Property. Any modifications, changes, additions, or deletions to this Agreement must be approved by Owner and Optionee, in writing.

## **13. Representation**

Except as otherwise provided herein, each party shall be responsible for all attorney fees incurred by it with respect to this Agreement.

## **14. Counterparts; Pronouns**

This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same Agreement and shall be effective when one or more counterparts have been signed and delivered by Owner and Optionee. With respect to any pronouns used, each gender used shall include the other gender and the singular and the plural, as the context may require.

## **15. Governing Law; Interpretation**

This Agreement shall be governed by the laws of Washington. If a court of competent jurisdiction holds any portion of this Agreement to be void or unenforceable as written, Owner and Optionee intend that (1) that portion of this Agreement be enforced to the extent permitted by law, and (2) the balance of this Agreement remain in full force and effect.

## **16. Time Is of the Essence**

Time is of the essence of this Agreement.

## **17. Authority to Execute**

Each person executing this Agreement on behalf of Owner and Optionee, respectively, warrants his or her authority to do so.

## **19. Confidentiality**

Owner and Optionee and their agents, accountants, attorneys, and consultants shall treat this Agreement and all information obtained or exchanged in connection with it as confidential and shall not disclose the terms of this Agreement or any information relating to it to any person other than the consultants and the entities engaged to assist in the consummation of this Agreement, such as the Title Company.



Executed on the day and year first above written.

**OWNER:**

Red Bluff Communications, Inc.

By: James N. Price  
Its: President

**OPTIONEE:**

Columbia Crest Properties, Sandy  
Dean and Associates, Inc.

By: Sandy Dean  
Its: President

STATE OF WASHINGTON )

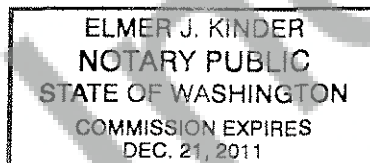
County of Klickitat )

) ss.

June 25th, 2008

Personally appeared James N. Price, who, being duly sworn, did say that he is the President of Red Bluff Communications, Inc., a Washington corporation, and that the foregoing instrument was signed in behalf of said corporation by authority of its Board of Directors, and he acknowledged said instrument to be its voluntary act and deed.

Before Me:



Elmer J. Kinder  
Notary Public for Washington

Residing at: White Salmon

My Commission Expires: 12-21-2011

STATE OF WASHINGTON )

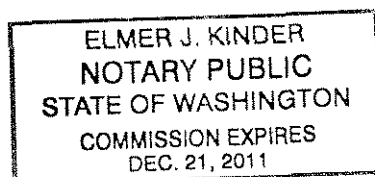
County of Klickitat )

) ss.

June 25th, 2008

Personally appeared Sandy Dean, who, being duly sworn, did say that she is the President of Columbia Crest Properties, Sandy Dean and Associates, Inc., a Washington corporation, and that the foregoing instrument was signed in behalf of said corporation by authority of its Board of Directors, and she acknowledged said instrument to be its voluntary act and deed.

Before Me:



Elmer J. Kinder  
Notary Public for Washington

Residing at: White Salmon

My Commission Expires: 12-21-2011