

After Recording Return to:

Eugene Nagel
4117 C Street
Washougal, WA 98671

REAL ESTATE EXCISE TAX
30000
APR 04 2013
PAID \$ 1,062.23
V. C. O'Connell, Deputy
SKAMANIA COUNTY TREASURER

Title of Document: Real Estate Contract
Grantors: RICHARD C. EBERT, an unmarried man; and
LILLY I. VAUGHN, an unmarried woman
Grantees: EUGENE H. NAGEL, an unmarried man
Legal Description: Lot 1, Wolfe Short Plat, recorded in Book 2, page 206, Short Plat
Records, in the County of Skamania and State of Washington
Reference Numbers: N/A
Assessor Parcel Number: 01050640011300 AWP

REAL ESTATE CONTRACT

1. **PARTIES AND DATE.** This Contract is entered into on April 1, 2013, by and between RICHARD C. EBERT, an unmarried man, and LILLY I. VAUGHN, an unmarried woman, together as "Seller;" and EUGENE H. NAGEL, an unmarried man, as "Buyer."

2. **SALE AND LEGAL DESCRIPTION.** Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the following described real estate located in Skamania County, State of Washington, commonly known as 62 Martin Road, Washougal, WA 98671:

Lot 1, Wolfe Short Plat, recorded in Book 2, page 206, Short Plat
Records, in the County of Skamania and State of Washington.

Assessor's Parcel No. 01050640011300 AWP Skamania County Assessor
Date 4/4/13 Parcel 1-5-6-4-113-00

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

None. No part of the purchase price is attributed to personal property.

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

	\$69,100.00	Total Purchase Price
Less	<u>\$ 7,000.00</u>	Down Payment
Results in	\$62,100.00	Amount Financed by Seller

(b) **PAYMENT OF AMOUNT FINANCED BY SELLER.** Seller acknowledges receipt of the \$7,000.00 down payment, which was paid in full by Buyer in the following manner: \$2,068.48 in cash to Seller, \$3,018.18 payment of past due property taxes on the property being sold herein, \$713.34 payment of past due utilities on the property being sold herein, and \$1,200.00 payment of Seller's closing costs. Buyer shall pay all required real estate excise tax and recording fees resulting from this sale. The remaining balance of \$62,100.00 shall be financed by the Seller, together with interest at the rate of five percent (5%) per annum from January 1, 2014, until paid in full, and shall be paid as follows:

Buyer shall pay Seller \$400.00 per month, or more at Buyer's option, beginning January 1, 2014, and on or before the first day of each month thereafter until December 31, 2024. The full remaining balance of principle, interest, and any costs assessed pursuant to the terms of this Contract shall be due and payable on or before December 31, 2024. Seller acknowledges that no interest will accrue and no monthly payments will be made by Buyer for the entire year of 2013. Interest and payments will begin on January 1, 2014, as described herein, only if there remains a balance owed on this Contract on said date.

Payments shall be made payable to "Richard Ebert," and shall be applied first to interest, and then to principle. Payments shall be made to Seller through Richard Ebert only at the following address, or at such other place as the Seller may hereafter indicate in writing:

Richard Ebert
62 Martin Road
Washougal, WA 98671

5. (a) **OBLIGATIONS TO BE PAID BY SELLER.** The Seller agrees to continue to pay from payments received hereunder the following obligations/prior encumbrances, which must be paid in full when Buyer pays the purchase price in full: Seller warrants that there are no obligations/prior encumbrances on the property being sold herein, except as described in Paragraph 6 herein.

(b) **FAILURE OF SELLER TO MAKE PAYMENTS ON PRIOR ENCUMBRANCES.** If Seller fails to make any payment on a prior encumbrance not disclosed herein, Buyer shall give written notice to Seller that unless Seller makes the delinquent payment within 15 days, Buyer will make the payment together with any late charge, additional interest, penalties, and costs assessed by the holder of the prior encumbrance. The 15-day period may be shortened to avoid the exercise of any remedy by the holder of the prior encumbrance. If Seller fails to make payment as demanded, and Buyer

makes the payment, then Buyer may deduct the amount paid plus a late charge of 5% of the amount paid plus any attorney's fees and costs incurred by Buyer in connection with the delinquency, from the next payment due to Seller on the purchase price. In the event Buyer makes such delinquent payments on three occasions, Buyer shall have the right to make all payments due to the holder thereafter directly to the holder of such prior encumbrance, and may deduct said amounts from the next payment due to Seller on the purchase price.

(c) **NO ADVERSE EFFECT ON PRIOR ENCUMBRANCES.** Except as noted herein, Seller warrants that entry into this Contract will not cause in any prior encumbrance (a) a breach, (b) accelerated payments, or (c) an increased interest rate.

6. **OTHER ENCUMBRANCES AGAINST THE PROPERTY.** The property is subject to the following encumbrances, in addition to any obligations assumed by Buyer in Paragraph 5 herein:

All taxes and other assessments, reservations, easements, rights of way, encumbrances, liens, covenants, conditions, and restrictions included in that Preliminary Title Report from Columbia Gorge Title dated February 19, 2013, receipt of which is acknowledged by Seller and Buyer.

7. **FULFILLMENT DEED.** Upon payment of all amounts due Seller, Seller agrees to deliver to Buyer a Statutory Warranty Deed in fulfillment of this Contract. The covenants of warranty in said deed shall not apply to any encumbrances assumed by Buyer or to defects in title arising subsequent to the date of this Contract, that arise or may arise by, through, or under persons other than the Seller herein.

8. **POSSESSION.** Buyer is entitled to possession of the property from and after the date of this Contract.

9. **TAXES, ASSESSMENTS, AND UTILITIES.** Buyer agrees to pay all real property taxes related to the real property. Seller agrees to pay all personal property taxes related to the property. Buyer agrees to pay all assessments that could potentially become a lien against the property after the date of this Contract. Buyer may in good faith contest any such assessments so long as no forfeiture or sale of the property is threatened as the result of such contest, and the contest is made in a timely manner. Buyer agrees to pay when due any utility charges which could potentially become a lien against the property that is superior to Seller's interest under this Contract.

10. **INSURANCE.** Buyer agrees to keep all buildings now or hereafter erected on the property continuously insured under fire and extended coverage policies in an amount not less than the full insurable value of the property. All policies shall be held by the Seller and be in such companies as the Seller may approve and have loss payable first to any holders of underlying encumbrances, then to Seller, and then to Buyer. Buyer may within 30 days after loss, negotiate a contract to substantially restore the premises to their condition before the loss. If the insurance proceeds are sufficient to pay the contract price

for restoration or if the Buyer deposits in escrow any deficiency with instructions to apply the funds on the restoration contract, the property shall be restored unless the underlying encumbrances provide otherwise. Otherwise the amount collected under any insurance policy shall be applied upon any amounts due hereunder in such order as the Seller shall determine. In the event of forfeiture, all rights of Buyer in insurance policies then in force shall pass to Seller.

11. NONPAYMENT OF INSURANCE, UTILITIES, AND VIOLATIONS OF LAW.

If Buyer fails to pay when due all assessments, insurance premiums, or utility charges as required in this Contract, or if Buyer violates an applicable law or local ordinance or code, Seller may give written notice to Buyer that unless Buyer makes the delinquent payment or cures the violation within thirty (30) days, Seller will make the payment or cure the violation, together with any interest, penalties, and costs assessed. Buyer shall immediately after such payment by Seller reimburse Seller for the amount of such payment or the cost to cure the violation, plus all costs and attorney's fees incurred by Seller in connection with making such payment or cure. This remedy shall be in addition to all other remedies available to Seller.

12. RISK OF LOSS. Buyer shall bear the risk of loss for destruction or condemnation of the property. Any such loss shall not relieve Buyer from any of Buyer's obligations pursuant to this Contract.

13. WASTE. Buyer shall keep the property in good repair and shall not commit or suffer waste or willful damage to or destruction of the property. Buyer may build on the property without prior consent of Seller. However, Buyer agrees to maintain the property in such condition as complies with all applicable laws or local ordinances or codes.

14. CONDEMNATION. Seller and Buyer may each appear as owners of an interest in the property in any action conceding condemnation of any part of the property. Buyer may within 30 days after condemnation and removal of improvements, negotiate a contract to substantially restore the premises to their condition before the removal. If the condemnation proceeds are sufficient to pay the contract price for restoration or if the Buyer deposits in escrow any deficiency with instructions to apply the funds on the restoration contract, the property shall be restored unless underlying encumbrances provide otherwise. Otherwise, proceeds of the award shall be applied in payment of the balance due on the purchase price, as Seller may direct.

15. DEFAULT. If Buyer fails to observe or perform any term, covenant, or condition of this Contract, Seller may pursue the following remedies as allowed by law:

- (a) **Suit for Installments.** Sue for any delinquent periodic payment;
- (b) **Specific Performance.** Sue for specific performance of any of Buyer's obligations under this Contract, or to cure any violations of law or local ordinances or codes; or

(c) **Forfeit Buyer's Interest.** Forfeit this Contract pursuant to Ch.61.30, RCW, as it is presently enacted and may hereafter be amended. The effect of such forfeiture includes: (i) all right, title and interest in the property of the Buyer and all persons claiming through the Buyer shall be terminated; (ii) the Buyer's rights under the Contract shall be cancelled; (iii) all sums previously paid under the Contract, including the down payment and installment payments, shall belong to and be retained by the Seller or other person to whom paid and entitled thereto; (iv) all improvements made to the property and all unharvested crops on the property shall belong to the Seller; and (v) Buyer shall be required to surrender possession of the property, improvements, and unharvested crops to the Seller ten (10) days after the forfeiture.

16. **RECEIVER.** If Seller has instituted any remedy upon default by the Buyer, and if Buyer is receiving rental or other income from the property, Buyer agrees that the appointment of a receiver for the property is necessary to protect Seller's interest.

17. **BUYER'S REMEDY FOR SELLER'S DEFAULT.** If Seller fails to observe or perform any term, covenant, or condition of this Contract, Buyer may, after twenty (20) days' written notice to Seller, institute suit for damages or specific performance unless the breaches designated in said notice are cured.

18. **NON-WAIVER.** Failure of either party to insist upon strict performance of the other party's obligations hereunder shall not be construed as a waiver of strict performance thereafter of all of the other party's obligations hereunder and shall not prejudice any remedies as provided herein.

19. **ATTORNEY'S FEES AND COSTS.** In the event of any breach of this Contract, the party responsible for the breach agrees to pay the attorney's fees and costs, including costs of service of notices and title searches, and including the costs of collection, incurred by the other party. The prevailing party in any suit instituted, or any subsequent appeal, that arises out of the terms of this Contract and in any forfeiture or foreclosure proceedings arising out of this Contract shall be entitled to receive attorney's fees and costs incurred in such suit or proceedings. Any action to enforce this Contract shall be instituted in either Skamania or Clark County, Washington.

20. **NOTICES.** Notices shall be either personally served or shall be sent certified mail, return receipt requested, and by regular first class mail to the following:

Buyer: Eugene Nagel
4117 C Street
Washougal, WA 98671

Seller: Richard Ebert and Lilly Vaughn
62 Martin Road
Washougal, WA 98671

or such other addresses as either party may specify in writing to the other party. Notices shall be deemed given when either personally served, or upon three days of the postmarked date when mailed.

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