

When recorded return to:
SUSAN GROSS
P.O. Box 152
Underwood, WA 98651

REAL ESTATE EXCISE TAX

30231

AUG 14 2013

PAID

1535.00

by deputy

SKAMANIA COUNTY TREASURER

**REAL ESTATE CONTRACT
(RESIDENTIAL SHORT FORM)**

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

1. PARTIES AND DATE. This Contract is entered into on July 30, 2013
between John Wayne Kellie and Susan Janette Gross, as Successor Trustees of the Lola A. Medres 1993
Living Trust as "Seller" and Robert Wilson and Holly Wilson, husband and wife, as "Purchaser."
2. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Purchaser and Purchaser agrees to purchase from
Seller the following described real estate in ~~Klickitat~~ Skamania County, State of Washington:

A tract of land located in the Northwest Quarter of the Southeast Quarter (NW 1/4 SE 1/4) of Section 17, Township 3 North, Range 8 East of the Willamette Meridian, described as follows:

Beginning at the center of the said Section 17; thence South 89 55' East 280 feet to the initial point of the tract hereby described; thence South 172 feet; thence North 89 55' East 302 feet, more or less, to the westerly line of the 150 foot right of way granted to the State of Washington for State Secondary Highway No. 8-C by deed dated October 29, 1956, and recorded at page 499 of Book 42 of Deeds, Records of Skamania County, Washington; thence in a Northwesterly direction following said Westerly line 438 feet, more or less, to intersection with the quarter section line of the said Section 17; thence north 89 55' West 60 feet, more or less, to the initial point. EXCEPT the South 104 feet thereof (measured along the West property line).

Also known as Lots 1 and 2 of MGM SHORT PLAT recorded 8-23-78 in Book 2 page 64, Skamania County Short Plat Records.

more commonly known as: Shake Mill Road, Wind River Highway MP 2.48.

Skamania County Assessor
Date 8/13/13 Parcel# 3-8-17-4-601-00

Abbreviated Legal: (Required if full legal not inserted above.)

Tax Parcel Number(s): Tax Parcel No. 03-08-1740-0601/00 ACUP

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.

4. (a) PRICE. Purchaser agrees to pay: \$100,000.00 Total Price

Less \$13,000.00 - Down Payment

Less \$0 - Assumed Obligation(s)

Results in \$87,000.00 - Amount Financed by Seller.

(b) ASSUMED OBLIGATIONS. Purchaser agrees to pay the above assumed obligation(s) by assuming and agreeing to pay that certain [[NOT APPLICABLE]]

(c) Seller warrants the unpaid balance of said obligation is \$ [[NOT APPLICABLE]] which is payable \$ [[NOT APPLICABLE]] on or before the _____ day of _____ () including () plus interest at the rate of _____ % per annum on the declining balance thereof; and a like amount on or before the _____ day of each and every _____ thereafter until paid in full. (month/year)

NOTE: Fill in the date in the following two lines only if there is an early cash out date on the assumed obligation.

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS DUE IN FULL NOT LATER THAN [[NOT APPLICABLE]].

ANY ADDITIONAL ASSUMED OBLIGATIONS ARE INCLUDED IN ADDENDUM

(c) PAYMENT OF AMOUNT FINANCED BY SELLER.

Purchaser agrees to pay the sum of \$87,000.00 as follows:

\$ 840.08 or more at purchaser's option on or before the tenth day of August, 2013, including interest from the date hereof at the rate of Three Percent (3%) per annum on the declining balance thereof; and a like amount or more on or before the tenth day of each and every month thereafter until paid in full.

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS DUE IN FULL NOT LATER THAN THE DATE WHICH IS THE TENTH (10TH) ANNIVERSARY OF THE DATE OF THIS CONTRACT.

Payments are applied first to interest and then to principal. Payments shall be made at P.O. Box 152 Underwood, WA 98651, or such other place as the Seller may hereafter indicate in writing.

5. FAILURE TO MAKE PAYMENTS ON ASSUMED OBLIGATIONS. If Purchaser fails to make any payments on assumed obligation(s), Seller may give written notice to Purchaser that unless Purchaser makes the delinquent payment(s) within 15 days, Seller will make the payment(s), together with any late charge,

9. **LATE CHARGES.** If any payment on the purchase price is not made within ten (10) days after the date it is due, Purchaser agrees to pay a late charge equal to 5% of the amount of such payment. Such late payment charge shall be in addition to all other remedies available to Seller and the first amounts received from Purchaser after such late charges are due shall be applied to the late charges.
10. **NO ADVERSE EFFECT ON PRIOR ENCUMBRANCES.** Seller warrants that entry into this Contract will not cause in any prior encumbrance (a) a breach, (b) accelerated payments, or (c) an increased interest rate; unless (a), (b), or (c) has been consented to by Purchaser in writing.
11. **POSSESSION.** Purchaser is entitled to possession of the property from and after May 1, 2013.
12. **TAXES, ASSESSMENTS, AND UTILITY LIENS.** Purchaser agrees to pay by the date due all taxes and assessments becoming a lien against the property after the date of this Contract. Purchaser may in good faith contest any such taxes or assessments so long as no forfeiture or sale of the property is threatened as the result of such contest. Purchaser agrees to pay when due any utility charges which may become liens superior to Seller's interest under this Contract. If real estate taxes and penalties are assessed against the property subsequent to date of this Contract because of a change in use prior to the date of this Contract for Open Space, Farm, Agricultural, or Timber classifications approved by the County or because of a Senior Citizen's Declaration to Defer Property Taxes filed prior to the date of this Contract, Purchaser may demand in writing payment of such taxes and penalties within 30 days. If payment is not made, Purchaser may pay and deduct the amount thereof plus 5% penalty from the payments next becoming due Seller under the Contract.
13. **INSURANCE.** Purchaser agrees to keep all buildings now or hereafter erected on the property described herein continuously insured under fire and extended coverage policies in an amount not less than the balances owed on obligations assumed by Purchaser plus the balance due Seller, or full insurable value, whichever is lower. All policies shall be held by the Seller and be in such companies as the Seller may approve and have loss payable first to any holders of underlying encumbrances, then to Seller as their interests may appear and then to Purchaser. Purchaser may within 30 days after loss negotiate a contract to substantially restore the premises to their condition before the loss. If insurance proceeds are sufficient to pay the contract price for restoration or if the Purchaser 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 Seller shall determine. In the event of forfeiture, all rights of Purchaser in insurance policies then in force shall pass to Seller.
14. **NONPAYMENT OF TAXES, INSURANCE, AND UTILITIES CONSTITUTING LIENS.** If Purchaser fails to pay taxes or assessments, insurance premiums, or utility charges constituting liens prior to Seller's interest under this Contract, Seller may pay such items and Purchaser shall forthwith pay Seller the amount thereof plus a late charge of 5% of the amount thereof plus any costs and attorney's fees incurred in connection with making such payment.
15. **CONDITION OF PROPERTY.** Purchaser accepts the property in its present condition and acknowledges that Seller, his/her agents, and subagents have made no representation or warranty concerning the physical condition of the property or the uses to which it may be put other than as set forth herein. Purchaser agrees to maintain the property in such condition as complies with all applicable laws.
16. **RISK OF LOSS.** Purchaser shall bear the risk of loss for destruction or condemnation of the property. Any such loss shall not relieve Purchaser from any of Purchaser's obligations pursuant to this Contract.
17. **WASTE.** Purchaser shall keep the property in good repair and shall not commit or suffer waste or willful damage to or destruction of the property. Purchaser shall not remove commercial timber without the written consent of Seller.

18. **AGRICULTURAL USE.** If this property is to be used principally for agricultural purposes, Purchaser agrees to conduct farm and livestock operations in accordance with good husbandry practices. In the event a forfeiture action is instituted, Purchaser consents to Seller's entry on the premises to take any reasonable action to conserve soil, crops, trees, and livestock.
19. **CONDEMNATION.** Seller and Purchaser may each appear as owners of an interest in the property in any action concerning condemnation of any part of the property. Purchaser 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 Purchaser deposits in escrow any deficiency with instructions to apply the funds on the restoration contract, the property shall be restored unless underlying encumbrances provide otherwise. Otherwise, proceeds of the award shall be applied in payment of the balance due on the purchase price, as Seller may direct.
20. **DEFAULT.** If the Purchaser fails to observe or perform any term, covenant, or condition of this Contract, Seller may:
- (a) Suit for Installments. Sue for any delinquent periodic payment; or
 - (b) Specific Performance. Sue for specific performance of any of Purchaser's obligations pursuant to this Contract; or
 - (c) Forfeit Purchaser'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 Purchaser and all persons claiming through the Purchaser shall be terminated; (ii) the Purchaser's rights under the Contract shall be cancelled; (iii) all sums previously paid under the Contract shall belong to and be retained by the Seller or other person to whom paid and entitled thereto; (iv) all improvements made to and unharvested crops on the property shall belong to the Seller; and (v) Purchaser shall be required to surrender possession of the property, improvements, and unharvested crops to the Seller 10 days after the forfeiture.
 - (d) Acceleration of Balance Due. Give Purchaser written notice demanding payment of said delinquencies and payment of a late charge of 5% of the amount of such delinquent payments and payment of Seller's reasonable attorney's fees and costs incurred for services in preparing and sending such Notice and stating that if payment pursuant to said Notice is not received within 30 days after the date said Notice is either deposited in the mail addressed to the Purchaser or personally delivered to the Purchaser, the entire balance owing, including interest, will become immediately due and payable. Seller may thereupon institute suit for payment of such balance, interest, late charge, and reasonable attorney's fees and costs.
 - (e) Judicial Foreclosure. Sue to foreclose this Contract as a mortgage, in which event Purchaser may be liable for a deficiency.
21. **RECEIVER.** If Seller has instituted any proceedings specified in Paragraph 20 and Purchaser is receiving rental or other income from the property, Purchaser agrees that the appointment of a receiver for the property is necessary to protect Seller's interest.
22. **PURCHASER'S REMEDY FOR SELLER'S DEFAULT.** If Seller fails to observe or perform any term, covenant, or condition of this Contract, Purchaser may, after 30 days' written notice to Seller, institute suit for damages or specific performance unless the breaches designated in said notice are cured.
23. **NON-WAIVER.** Failure of either party to insist upon strict performance of the other party's obligations hereunder shall not be construed as a waiver of strict performance thereafter of all of the other party's obligations hereunder and shall not prejudice any remedies as provided herein.
24. **ATTORNEY'S FEES AND COSTS.** In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorney's fees and costs, including costs of service of notices and title searches, incurred by the other party. The prevailing party in any suit instituted arising out of this Contract and

in any forfeiture proceedings arising out of this Contract shall be entitled to receive reasonable attorney's fees and costs incurred in such suit or proceedings.

25. NOTICES. Notices shall be either personally served or shall be sent certified mail, return receipt requested, and by regular first class mail to Purchaser at 10 Lake Road, Trout Lake, WA 98650

and to the Seller at P.O. Box 209, Trout Lake, WA 98650, or such other addresses as either party may specify in writing to the other party. Notices shall be deemed given when served or mailed. Notice to Seller shall also be sent to any institution receiving payments on the Contract.

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

27. SUCCESSORS AND ASSIGNS. Subject to any restrictions against assignment, the provisions of this Contract shall be binding on the heirs, successors, and assigns of the Seller and the Purchaser.

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

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|-----------------|-----------|-----------------|
| SELLER | INITIALS: | PURCHASER |
| _____ N/A _____ | | _____ N/A _____ |
| _____ N/A _____ | | _____ N/A _____ |

29. OPTIONAL PROVISION -- ALTERATIONS. Purchaser shall not make any substantial alteration to the improvements on the property without the prior written consent of Seller, which consent will not be unreasonably withheld.

| | | |
|-----------------|-----------|-----------------|
| SELLER | INITIALS: | PURCHASER |
| _____ N/A _____ | | _____ N/A _____ |
| _____ N/A _____ | | _____ N/A _____ |

30. OPTIONAL PROVISION -- DUE ON SALE. If Purchaser, without written consent of Seller, (a) conveys, (b) sells, (c) leases, (d) assigns, (e) contracts to convey, sell, lease or assign, (f) grants an option to buy the property, (g) permits a forfeiture or foreclosure or trustee or sheriffs sale of any of the Purchaser's interest in the property or this Contract, Seller may at any time thereafter either raise the interest rate on the balance of the purchase price or declare the entire balance of the purchase price due and payable. If one or more of the entities comprising the Purchaser is a corporation, any transfer or successive transfers in the nature of items (a) through (g) above of 49% or more of the outstanding capital stock shall enable Seller to take the above action. A lease of less than 3 years (including options for renewals), a transfer to a spouse or child of Purchaser, a transfer incident to a marriage dissolution or condemnation, and a transfer by inheritance will not enable Seller to take any action pursuant to this Paragraph; provided the transferee other than a condemnor agrees in writing that the provisions of this paragraph apply to any subsequent transaction involving the property entered into by the transferee.

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|--|-----------|---|
| SELLER | INITIALS: | PURCHASER |
| <u>JWK</u> <u> </u> <u> </u> | | <u> </u> <u> </u> <u> </u> |

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

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|---|-----------|---|
| SELLER | INITIALS: | PURCHASER |
| <u> </u> <u> </u> <u> </u> | | <u> </u> <u> </u> <u> </u> |

32. PAYMENT OF TAXES AND INSURANCE. In addition to the periodic payments on the purchase price, Purchaser agrees to pay the real estate taxes and assessments on the Property when due to the Skamania County Treasurer. Seller shall provide Purchaser with documentation of tax bills on a timely basis. Purchaser shall provide Seller with proof of payment not later than the due date of each installment. Purchaser also agrees to maintain and pay fire insurance premiums insuring the Property for its full value. Purchaser shall provide Seller with proof of payment not later than the due date of each installment. If requested by Seller, Purchaser shall have Seller named as a loss payee on Purchaser's fire insurance proceeds on the Property, and to make Seller a party entitled to notice of cancellation of the fire insurance with not less than 30 days notice.

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

34. ENTIRE AGREEMENT. This Contract constitutes the entire agreement of the parties and supersedes all prior agreements and understandings, written or oral. This Contract may be amended only in writing executed by Seller and Purchaser.

IN WITNESS WHEREOF the parties have signed and sealed this Contract the day and year first above written.

| | |
|--|----------------------|
| SELLER | PURCHASER |
| John Wayne Kellie & Susan Janette Gross, as Successor Trustees of the Lola A. Medres 1993 Living Trust | |
| <u>Susan J Gross</u> | <u>Robert Wilson</u> |
| SUSAN JANETTE GROSS, Successor Trustee | ROBERT WILSON |
| <u>John Wayne Kellie</u> | <u>Holly Wilson</u> |
| JOHN WAYNE KELLIE, Successor Trustee | HOLLY WILSON |

STATE OF *Alaska*
COUNTY OF *Anchorage*

ss.

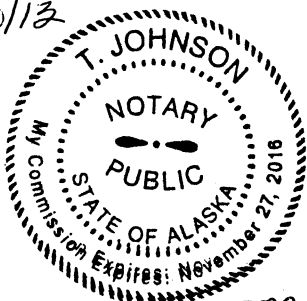
I certify that I know or have satisfactory evidence that

John^{Wayne} Kellie

(is/are) the person(s) who appeared

before me, and said person(s) acknowledged that *he* signed this instrument and acknowledged it to be free and voluntary act for the uses and purposes mentioned in this instrument..

Dated: *7/30/13*



T. Johnson

Notary name printed or typed: *Traci Johnson*
Notary Public in and for the State of *Alaska*
Residing at *Anchorage, AK*
My appointment expires: *11-27-16*

STATE OF ~~*Skamania*~~ *Washington*
COUNTY OF *Skamania*

ss.

I certify that I know or have satisfactory evidence that

Robert Wilson &

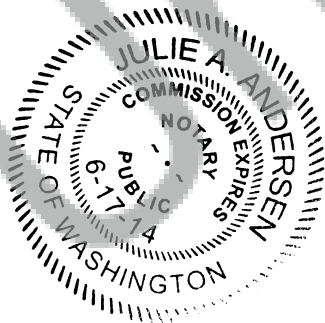
(is/are) the person(s) who appeared

Holly Wilson

before me, and said person(s) acknowledged that *They* signed this instrument and acknowledged it to be

Their free and voluntary act for the uses and purposes mentioned in this instrument..

Dated: *August 2, 2013*



Julie A. Andersen

Notary name printed or typed: *Julie A Andersen*
Notary Public in and for the State of *Washington*
Residing at *Carson, Washington*
My appointment expires: *June 17, 2014*

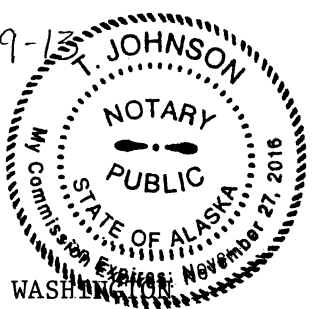
STATE OF
COUNTY OF

ss.

I certify that I know or have satisfactory evidence that JOHN WAYNE KELLIE

(is/are) the person(s) who appeared before me, and said person(s) acknowledged that HE signed this instrument, on oath stated that HE authorized to execute the instrument and acknowledge it as the SUCCESSOR CO - TRUSTEE of THE LOLA A. MEDRES 1993 LIVING TRUST to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in this instrument.

Dated: 8-9-13



Traci Johnson
Notary name printed or typed: Traci Johnson
Notary Public in and for the State of Alaska
Residing at Anchorage
My appointment expires: 11-27-16

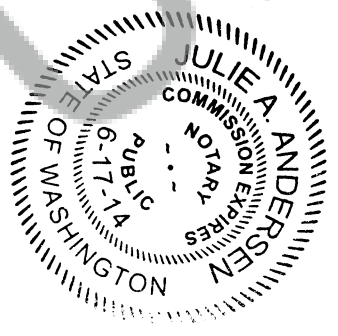
STATE OF WASHINGTON
COUNTY OF SKAMANIA

ss.

I certify that I know or have satisfactory evidence that SUSAN JANETTE GROSS

(is/are) the person(s) who appeared before me, and said person(s) acknowledged that SHE signed this instrument, on oath stated that SHE authorized to execute the instrument and acknowledge it as the SUCCESSOR CO - TRUSTEE of THE LOLA A. MEDRES 1993 LIVING TRUST to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in this instrument.

Dated: August 2, 2013



Julie A. Andersen
Notary name printed or typed: Julie A Andersen
Notary Public in and for the State of Washington
Residing at Carson, Washington
My appointment expires: June 17, 2014