

SKAMANIA COUNTY
REAL ESTATE EXCISE TAX

After Recording, Return to:

31783
APR 20 2016

Peter Fels
PETER L. FELS, PC
211 E. Eleventh Street, Suite 105
Vancouver WA 98660

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19 deposits
SKAMANIA COUNTY TREASURER

REAL ESTATE CONTRACT

Grantors (Seller):	RAYMOND PILLER
Grantees (Purchaser):	RONALD K. MEADOWS, a single person
Abbreviated Legal:	LOT 2 JACK BELL SP #2 BK 2/PG 166
Assessor's Tax Parcel No.	02053000151800 (DN)
Other Reference No(s):	

1. **Effective Date.** April 18, 2016
2. **Seller.** RAYMOND PILLER, a single person, hereinafter referred to as "Seller;"
3. **Purchaser.** RONALD K. MEADOWS, a single person hereinafter referred to as "Purchaser."
4. **Property Sold.** Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, the following described real estate, with the appurtenances thereon, situated in Skamania County, Washington:

PLEASE SEE ATTACHED EXHIBIT "A" LEGAL DESCRIPTION

More commonly known as 272 Taylor Road, Washougal WA (hereinafter the "Premises").

5. **Tax Statements.** Until a change is requested, all tax statements shall be sent to both parties:
Raymond Piller, 591 Canyon Creek Rd., Washougal WA 98671 and
Ronald K. Meadows, 272 Taylor Road, Washougal, WA 98671.
6. **Payment Terms.** The terms and conditions of this Contract are: Purchase price of the real estate is **\$310,000.00**, of which **\$100,000.00** has been paid, the receipt of which is hereby acknowledged. The balance of **\$210,000.00** shall be paid in monthly installments of **\$1,259.06**, beginning **June 1, 2016**, as per the attached Loan Amortization Schedule, and continuing on the same day of each month thereafter until the balance of the purchase price, both principal and interest, is fully paid. The unpaid balance of the purchase price shall at all times bear interest at **6%** per annum, commencing on **May 1, 2016**. From each payment shall first be deducted the interest to date of payment and the balance shall be applied to the principal. If purchaser elects to prepay the entire balance of the principal in advance, Purchaser shall pay a penalty of one per cent (1.0%) of the then remaining balance due under the contract.

7. **Payment Terms and Conditions.** Prepayments shall not excuse Purchaser from making the regular payments and interest due under the Contract until the remaining balance has been paid in full.

8. **Fulfillment Deed.** On full payment of the purchase price and interest in the manner hereinabove specified, Seller agrees to deliver to Purchaser a Warranty Deed to the Premises free and clear of any encumbrances except any that may accrue hereafter due to any person other than Seller, excepting any part hereof hereafter taken for public use, and subject to easements, covenants, conditions, restrictions, deed exceptions, and reservations of record. Rights reserved in federal patents and state deeds; building or use restrictions general to the area, including governmental platting and subdivision requirements; and reserved hydrocarbon and mineral rights shall not be deemed encumbrances or defects. No provision of this Contract survives the delivery of the deed except as expressly provided. Acceptance of the deed shall be an acceptance of the performance of all the obligations of Seller hereunder except as may be expressly stated to survive the delivery of the deed.

9. **Collection.** Seller shall place this Contract for collection with the agency identified below ("Collection Agency"). The Collection Agency may be changed from time to time by mutual agreement.

Riverview Community Bank
ATTN: Francis Guevara Loan Servicing Rep
17205 SE Mill Plain Blvd
Vancouver WA 98683-7511
P.O. Box 872290
Vancouver WA 98687-2290
P: 360-514-5041
F: 360-514-5054
FrancisGuevara@riverviewbank.com

10. **Possession.** Purchaser is in physical possession of the Premises.

11. **Prorated Items.** The following items will be prorated between Seller and Purchaser as of closing:

Property taxes as described in ¶12.

12. **Pro-rate of Current Taxes.** Seller agrees to pay at closing all 2015 property taxes and assessments. Property taxes for January 1, 2016 - March 31, 2016 shall be paid from Seller's funds at closing. Purchaser shall assume and be responsible for payment of the balance of 2016 property taxes and all future property taxes.

13. **Future Taxes and Liens.** Purchaser agrees to pay before delinquent, and before any penalties, interest or other charges accrue or are added thereto, any and all taxes, assessments, liens, charges for the use of water on the Premises and any other charges or assessments which may become liens thereon, and will keep said Premises free and clear of any and all liens for labor and materials or any liens whatsoever that might at any time rest against said Premises. Notwithstanding the

foregoing, if any lien of any nature is filed against the Premises or any part thereof as a result of the actions of Purchaser, it shall be discharged by Purchaser at Purchaser's expense by payment or by filing bond issued by an insurance company licensed to do business in Washington. In the event any lien is not discharged by payment or as herein specified, it shall be a default under this Contract and Seller shall be entitled to all the rights and remedies herein provided in the event of default, including but not limited to the right to commence forfeiture proceedings forthwith and the right to costs and attorney fees as set forth herein. Purchaser may contest the legal validity or amount of any taxes, assessments, liens, charges for the use of water or any other charges of assessments for which Purchaser is responsible under this Contract, and may institute such proceedings as Purchaser considers necessary. If Purchaser contests any such tax, assessment, lien or charge, Purchaser may withhold or defer payment or pay under protest but shall protect Seller and the Premises from any lien by adequate surety bond or other appropriate security.

14. **Insurance Paid by Purchaser.** Purchaser agrees to keep all improvements now existing or hereafter placed upon the Premises insured to the **replacement** value thereof against loss or damage by fire and windstorm, with extended coverage in like amount, in some company acceptable to Seller and with loss payable to Seller and Purchaser, as their respective interests may appear, and to pay all premiums therefor until the purchase price has been fully paid. Purchaser shall deliver to Seller certificates evidencing coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days written notice to Seller. In the event of loss, Purchaser shall give immediate notice to Seller. Seller may make proof of loss if Purchaser fails to do so within fifteen (15) days of casualty.

15. **Insurance Proceeds Applied.** In the event of the destruction of any of the improvements on the Premises by fire or destruction or other casualty, all of the monies received by Seller by reason thereof, less any sums which Seller may be required to expend in procuring such money, shall be applied to the rebuilding or restoration of the Premises. If there are any funds remaining after rebuilding or restoration, they shall be applied to the balance owing of the contract.

16. **Acceptance of Premises.** Purchaser accepts the Premises and improvements thereon and all other aspects of the Premises in their present condition, **AS IS**, including latent defects, without any representations or warranties, express or implied, unless they are expressly set forth in this Contract or are in writing signed by Seller. Purchaser acknowledges that Purchaser has lived on the property for five years and is fully aware of the condition of the premises, agrees that a full inspection of the Premises has been made and that neither Seller nor his assigns shall be held to any covenant respecting the condition of any improvements thereon nor shall Purchaser or Seller or the assigns of either be held to any covenant or agreement for alterations, improvements or repairs unless the covenant or agreement relied on is contained herein or is in writing and attached to and made a part of this Contract.

Purchaser agrees that he has had the opportunity to review all federal, state and local regulations, including but not limited to zoning, building, housing and other regulatory ordinances and laws, and Purchaser accepts the Premises with full awareness of these ordinances and laws as they may affect the present use or any intended and future use of the Premises, and Seller has made no representations with respect thereto. Seller makes no representations or warranties as to the Premises' compliance with any such federal, state or local regulation or law.

Purchaser has resided on the premises and is fully aware of the condition of all structures, plumbing, heating, water, well, sewage, and the like and waives receipt of all Seller's disclosures otherwise required by state or federal law, including but not limited to disclosures under RCW 64.06.010 et seq., mold and lead notices.

17. **Title Insurance.** Seller agrees to procure at closing or within fifteen (15) days of closing a Purchaser's policy of title insurance in standard form, insuring Purchaser to the full extent of the purchase price against loss or damage by reason of the unmarketability of Seller's title or defect in the record title of Seller to the Premises or by reason of prior liens or encumbrances not assumed by Purchaser in this Contract, containing no exceptions other than the following:

17.1. Printed general exceptions appearing in the policy form;

17.2. Liens or encumbrances which by the terms of this Contract Purchaser is to assume, or as to which the conveyance hereunder is to be made subject;

17.3. Any easements, reservations, covenants, conditions, deed exceptions and restrictions of record against the Premises at the time of closing.

18. **General Advancements by Seller.** In case Purchaser fails to make any payment to others as herein provided, including utility services and taxes, or to maintain insurance as required herein, Seller may make such payment or effect such insurance, and any amounts so paid by Seller, together with interest at the rate of **12%** per annum thereon from date of payment until repaid, shall be repayable by Purchaser on Seller's demand, all without prejudice to any other rights Seller might have by reason of such default.

19. **Purchaser's Default.** Time is of the essence of this Contract. Purchaser shall be in default under this Contract if Purchaser (a) fails to observe or perform any term, covenant or condition herein set forth or those of any prior encumbrances, or (b) fails or neglects to make any payment of principal or interest or any other amount required to be discharged by Purchaser precisely when obligated to do so, including taxes or insurance, or (c) becomes or is declared insolvent or makes an assignment for the benefit of creditors, or files any debtor's petition or any reorganization or similar act, or (d) permits the Premises or any part thereof or their interests therein to be attached or in any manner restrained or impounded by process of any court, or (e) abandons the Premises for more than thirty (30) consecutive days (unless the Premises is otherwise occupied), or (f) conveys the Premises or a portion thereof without any prior written consent required herein of Seller. No waiver by Seller of any default on the part of Purchaser shall be construed as a waiver of any subsequent default.

20. **Seller's Remedies.** In the event Purchaser is in default under this Contract Seller may, at Seller's election, take the following courses of action:

20.1. **Suit for Delinquencies.** Seller may institute suit for any overdue installment amounts or other sums due and payable under this Contract and for any sums which have been advanced by Seller and repayable by Purchaser pursuant to the provisions of this Contract, together with interest on all of said amounts at the rate provided for by this Contract from the date each such amount was advanced or due, as the case may be, to and including the date of collection. The promise to pay intermediate installments is independent of the promise to make a deed.

20.2. Acceleration. In the event Purchaser shall fail to comply with any condition hereof or to make any payment required, Seller may elect to declare all of the sums obligated to be paid by Purchaser herein to be immediately due and payable. Prior to acceleration, a thirty (30) day notice of intent to accelerate shall be made by Seller in writing. Within the thirty (30) day period, Purchaser shall have the right to remove the grounds for acceleration specified in the notice. Acceleration shall be declared, however, unless Purchaser has paid to Seller all expenses that Seller has incurred in the declaration of intention to accelerate and service of such notice, including attorney's fees incurred by Seller. Upon acceleration being declared, all sums due under this Contract, including all costs and attorney's fees, shall immediately be payable in full, and Purchaser shall have no right to bring the delinquencies current and reinstate the Contract.

20.3. Forfeiture and Repossession. Seller may cancel and render void all rights, titles and interests of Purchaser and their successors in this contract and in the Premises (including all of Purchaser's then existing rights, interests and estates therein and timber, crops and improvements thereon) by giving and recording a Notice of Intent to Forfeit pursuant to RCW 61.30.040-070, and said cancellation and forfeiture shall become effective if the default therein specified has not been fully cured (including payment of costs and attorney's fees incurred by Seller) within ninety (90) days after recording the Notice of Intent to Forfeit and Seller gives and records a Declaration of Forfeiture pursuant to RCW 61.30.040-070. Upon the forfeiture of this Contract, Seller may retain all payments made hereunder by Purchaser and may take possession of the Premises ten (10) days following the date this Contract is forfeited and summarily eject Purchaser and any person or persons having possession of the said Premises by, through or under Purchaser who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture. In the event Purchaser or any person or persons claiming, by through or under Purchaser who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture remain in possession of the Premises more than ten (10) days after such forfeiture, Purchaser, or such person or persons, shall be deemed tenants at will of Seller and Seller shall be entitled to institute an action for summary possession of the Premises, and may recover from Purchaser or such person or persons in any such proceedings the fair rental value of the Premises for the use thereof from and after the date of forfeiture, plus costs, including Seller's reasonable attorney's fees;

20.4. Specific Performance. Seller may institute suit to specifically enforce any of Purchaser's covenants hereunder, and the same may include redress by mandatory or prohibitive injunction;

20.5. Remedies under the Uniform Commercial Code. Seller shall have and Purchaser hereby grants to Seller all of the rights and remedies contained in the Uniform Commercial Code in effect in the State of Washington as of the date of Purchaser's default and to the extent such remedies may be applicable to the type of collateral affected thereby;

20.6. Receivership. The parties hereto recognize and agree that in the event of default by Purchaser in making any payments or in the performance of any of the other terms and conditions of this Contract, the period of time involved in repossessing the Premises, forfeiting this Contract, or in obtaining possession of the Premises by judicial process could cause irreparable damage to Seller and to the Premises or the possible acceleration of the debts secured by the prior encumbrances. Therefore, Purchaser hereby expressly agrees that in the event of any default under this Contract which is not cured, Seller shall have the right to apply to the Superior Court of the County in which the real property is situated for the appointment of a receiver under Chapter 7.60 of the Revised Code

of Washington (or any chapter supplemental thereto) to take charge of and maintain control of, manage, farm, or operate the Premises, to evict tenants therefrom who are not then in compliance with their leases, to lease any portion or all of the Premises in the name of Purchaser on such terms as the receiver may deem advisable, to make such alterations, repairs and improvements to the Premises as the receiver may deem advisable, and to receive all rents and income therefrom and issue receipts therefor, and out of the amounts that are so received to pay all of the debts and obligations for which Purchaser is liable hereunder prior to or during the period of the receivership, including, without limitation, payments on or for this Contract, prior encumbrances, taxes, assessments, insurance premiums, utility bills and costs of operating, maintaining, repairing and managing the Premises. Any sums received by the receiver in excess of said amounts shall be retained by the receiver to discharge all remaining liability of Purchaser under this Contract until the entirety of such obligations have been satisfied, at which point any remaining excess shall be paid to Purchaser without interest; and

20.7. Premises Rental. In the event this Contract is forfeited as herein provided, or in any other manner permitted by law, or by mutual agreement of Purchaser and Seller, and Purchaser shall thereafter remain in possession of the Premises beyond any period otherwise permitted by law, Purchaser agrees that he will occupy the Premises as a tenant at will and Purchaser shall be obligated to pay, and hereby promises to pay, during the period of such tenancy at will, a fair market rental in the amount then agreed to by the parties or, in the absence of such agreement or until such agreement is reached, an amount equal to two (2) times the monthly installment amount provided for herein as and when provided for in the terms of this Contract, and Seller shall have, in addition to all other remedies for the collection of rentals and the recovery of possession that are available to landlords under the laws of the State of Washington, the right to institute and maintain an action for summary possession of the Premises as provided by law.

21. Purchaser's Remedies. In the event Seller shall breach or default in any covenant or obligation of Seller hereunder, Purchaser may bring an action against Seller for specific performance of this Contract and/or pursue such other remedy as shall be allowed under Washington law, all toward the end of making Purchaser hereunder whole. Prior to commencing any such action, Purchaser shall send a thirty (30) day notice to Seller specifying such default. Within the thirty (30) day period, Seller shall have the right to remove the ground for default claimed in the notice.

22. Hazardous Substances.

22.1. Definition. As used herein, the term "hazardous substances" means any hazardous or extremely hazardous waste, special waste, toxic substance, or similar term, material or waste, which are or become regulated under any federal, state or local law or regulation, presently in effect or promulgated in the future, including, without limitation, petroleum products or its by-products, asbestos, and polychlorinated biphenyls.

22.2. Storage and Use.

22.2.1. Purchaser shall not cause or permit any hazardous substances to be brought upon, kept or used in or about the Premises by Purchaser, their agents, employees, contractors or invitees except, Purchaser may use on the Premises the hazardous substances normally used in Purchaser's industry. Any hazardous substance permitted on the Premises, as provided herein, and all containers therefor, shall be used, kept, stored and disposed of in a manner that complies with all

federal, state and local laws and regulations application to such hazardous substance. Purchaser may store such hazardous substances on the Premises, but only in such quantities necessary to satisfy Purchaser's reasonably anticipated needs for such hazardous substances in connection with operations at the Premises.

23.2.2. Purchaser shall at all times exercise extreme care in connection with the handling of hazardous substances on the Premises and shall not cause or permit hazardous substances to be spilled, leaked, disposed of or otherwise released on the Premises.

23.2.3. At no time shall Purchaser install underground storage tanks for the purpose of holding petroleum products or other regulated substances without Seller's prior written consent.

23.3. Environmental Compliance.

23.3.1. Purchaser shall, at their own expense, comply with any environmental laws applicable to the Premises or affecting Purchaser's activities at the Premises. Purchaser shall make all submissions to, provide all information to, and comply with all requirements of the appropriate governmental authority under applicable environmental laws.

23.3.2. Prior to commencing the use, storage or other handling of hazardous substances on the Premises, Purchaser shall provide Seller with copies of all necessary permits, authorizations, and notices required by any environmental law with respect to such activities.

23.4. **Notices.** In addition to providing notices to appropriate agencies, Purchaser shall also notify Seller of: (a) any leak, spill, release or disposal of hazardous substances on, under or adjacent to the Premises or a threat of or reasonable suspicion of the same, or (b) any notice or communication from a governmental agency or any other person directed to Purchaser or any other personnel relating to: (i) hazardous substances on, under or adjacent to the Premises, or (ii) any violation of any environmental law with respect to the Premises or activities on the Premises.

23.5. Spills and Releases.

23.5.1. In the event of a leak, spill or release of hazardous substances on the Premises or the threat of or reasonable suspicion of the same, Purchaser shall immediately undertake all emergency responses and, within a reasonable time, all investigatory, remedial and/or removal action required by applicable environmental laws and regulations. Within thirty (30) days following the completion of such action, Purchaser shall provide Seller with a certification acceptable to Seller, signed by an independent registered professional engineer, that all such contamination has been eliminated.

23.5.2. In the event that Seller, in his sole judgment, determines that his interests are being injured or threatened by a leak, spill, or release of hazardous substances, or the threat thereof, notice of same shall be given to Purchaser. Unless, in Seller's opinion, Purchaser cures or commences and pursues corrective action with extreme diligence within twenty-four (24) hours thereafter, Seller may take such steps as he deems necessary or desirable in connection therewith without waiving any of his rights hereunder and without being deemed to be in breach of any express or implied covenant of quiet possession.

Notwithstanding the foregoing, if in Seller's opinion, an emergency exists, Seller shall have no obligation to give Purchaser prior notice and an opportunity to take corrective action but, instead, shall take such steps as he deems necessary or desirable in connection therewith without waiving any of his rights hereunder and without being deemed to be in breach of any express or implied covenant of quiet possession.

23.6. **Investigations.** Seller reserves the right to inspect Purchaser's management of hazardous substances on the Premises at any time upon reasonable notice to Purchaser, unless, in Seller's opinion, an emergency exists, in which case notice is excused.

If Seller, at any time he holds title to the Premises, has reason to believe that Purchaser is not complying with any of the requirements set forth herein, Seller may require Purchaser to furnish to Seller, an environmental audit or environmental assessment with respect to the matters of concern to Seller. Such audit or assessment shall be prepared by a qualified consultant acceptable to Seller. The cost of the audit or assessment shall be paid by Purchaser unless the consultant determines Purchaser has complied with the requirements of this Section 22, in which case Seller shall pay the cost of the audit or assessment.

23.7. **Condition Upon Termination.** If Seller should regain possession of the Premises as a result of Purchaser's default under this Contract, Purchaser shall remove all hazardous substances and their containers from the Premises and Purchaser shall certify in writing to Seller that no hazardous substance has leaked, spilled, been released or disposed of on the Premises.

24. **Attorney Fees and Costs.**

24.1. If this Contract or any obligation contained in it is referred to an attorney for collection or realization, Purchaser agrees to pay Seller's attorney fees, including fees incurred with or without legal suit, expenses of searching records to determine the condition of title, expert witness and deposition costs, and all other related legal expenses.

24.2. In the event litigation arises out of this Contract, including Seller's enforcement of any term or covenant of this Contract or Seller's suit to procure an adjudication of the termination of Purchaser's rights hereunder, the losing party agrees to pay the prevailing party's reasonable attorney fee, whether at trial or on appeal, including any proceedings in federal bankruptcy court or under state receivership statutes, together with all costs and expenses incurred in connection with such action or proceeding, including the cost of searching records to determine the condition of title, in addition to all other sums provided by law, which sums shall be included in any judgment or decree entered.

25. **Notice.** Any notice or demand under this Contract shall be in writing and shall be effective when actually delivered or when deposited in the mail, registered or certified, return receipt requested, with charges prepaid, addressed to the parties at the addresses stated in this Contract, or such other addresses as either party may designate by written notice to the other.

Seller: Raymond Piller
591 Canyon Creek Rd
Washougal, WA 98671

With a copy to Seller's Attorney:

Peter L Fels, PC
Peter L Fels
211 E. 11th Street Suite 105
Vancouver, WA 98660 peter@fels-law.com

Purchaser:

Ronald K. Meadows
272 Taylor Road
Washougal, WA 98671

With a copy to Purchaser's Attorney:

Jeff Lindberg
406 West 12th Street
Vancouver, WA 98660 jeff@lindberglaw.net

26. **Condemnation.** Purchaser assumes all hazards of damage to or destruction of any improvements now on said real estate or hereafter placed thereon, and of the taking of said real estate or any part thereof for public use; and agrees that no such damage, destruction or taking shall constitute a failure of consideration. In case any part of said real estate is taken for public use, the portion of the condemnation award remaining after payment of reasonable expenses of procuring the same shall be paid to Seller and applied as payment on the purchase price herein unless Seller elects to allow Purchaser to apply all or a portion of such condemnation award to the rebuilding or restoration of any improvements damaged by such taking.

27. **Nuisance and Alterations: Reservation of Timber Rights.** Purchaser will not create by act or omission, any nuisance or waste on the Premises, and will not permit the use of the Premises for any illegal purpose. Purchaser will not remove improvements on the Premises, nor make any substantial changes or alterations to the Premises which reduce the value of the Premises for security purposes, without the prior written consent of Seller. Seller reserves all rights, title and interest to timber, fruit trees, and landscaping on the premises. Purchaser may thin or prune such trees, timber and vegetation as necessary to maintain the timber, fruit trees and landscaping healthy and productive, and for firewood for normal annual use of a single family. Harvesting for firewood shall not include any fir trees. Until this contract is paid in full, in the event either party wishes to harvest merchantable timber, it may only be done with mutual consent. The proceeds from the sale of such timber shall be divided and pro-rated between Purchaser and Seller on the basis of thirty years. For example, proceeds from timber sold in the second year of this contract shall be allocated 1/30th to Purchaser and 29/30ths to Seller. Proceeds from timber sold in the fifth year shall be allocated 4/30ths to Purchaser and 26/30ths to Seller, etc.

28. **Late Charges.** In the event Purchaser shall be delinquent more than five (5) days in making any payment, a late charge of five percent (5%) of the delinquent payment or payments shall be made, in addition to interest accruing on the balance due under this contract. The late charge will be computed monthly on all sums which are delinquent.

30. **Assignment, Sublet, Lease.** Purchaser shall not sell the foregoing real property by contract of sale, nor assign this Contract, nor sell, transfer, sublet or lease all or any portion of said described

Premises without first obtaining written consent of Seller, which consent shall not be unreasonably withheld. Seller acknowledges and consents to current sub-tenant on the property, namely Dennis Bain.

31. **Maintenance and Repair.** Purchaser covenants to keep all buildings and other improvements now existing on the Premises or later placed on the Premises in as good a condition and state of repair as they are upon the date of this Contract or date of installation as to future improvements, reasonable wear and depreciation accepted. Purchaser shall replace or repair worn out or obsolete portions of the improvements as necessary to keep the improvements as a whole in good operating condition. All maintenance, repair and replacement shall be at Purchaser's sole cost and expense and neither Seller nor the Premises shall be liable therefor. This covenant is not to be construed to indicate that Seller has any participation in the maintenance of such improvements or the making of repairs or replacements.

32. **Compliance with Laws.** Purchaser shall promptly comply with all laws, ordinances, regulations, directions, rules and other requirements of all governmental authorities applicable to the use or occupancy of the Premises and in this connection promptly make all required repairs, alterations and additions.

33. **Seller's Warranties.** Seller warrants the following as of the effective date of this Contract:

33.1. That there are no liens assessed or to be assessed against the Premises.

33.2. That there are no notices from any governmental agency of any violation of law relating to the Premises.

33.3. That there is no material defect in the Premises which has not been disclosed to or accepted by Purchaser.

34. **Square Footage.** Unless otherwise expressly stated to the contrary in this Contract, any square footage as to the building or lot used by Seller or any real estate agent in marketing the Premises are understood to be approximations and are not intended to be relied upon to determine the fitness or value of the Premises. Purchaser has personally observed the Premises and has reached their conclusion as to the adequacy and acceptability of the size of the Premises based upon said personal observation and Purchaser's own analysis and Purchaser has not valued the Premises by calculation of square footage stated by Seller or any real estate agent times a square footage cost.

35. **Utility Services.** Purchaser covenants to pay all service, installation or construction charges for water, sewer, electricity, gas, garbage or other utility services furnished to the Premises after the date Purchaser is entitled to possession. Purchaser acknowledges the well and household water supply are in poor condition and may not be potable or conform to any applicable code.

36. **Due on Sale Clause.** It is specifically understood and agreed that this Contract is personal between the parties hereto and that Seller desires to accept Purchaser's personal responsibility and control of the real property which was a material inducement to Seller in the execution of this Contract. If this Contract or the Premises being sold hereunder is sold, assigned or transferred by Purchaser, voluntarily or involuntarily, without obtaining Seller's prior written consent, such

assignment, sale or other transfer shall be deemed to increase the risk of Seller, and Seller may, at his option, declare the entire unpaid balance immediately due and payable.

Further, Purchaser shall not lease, sublet or rent all or any portion of the described Premises or improvements thereon without first obtaining written consent of Seller, which consent shall not be unreasonably withheld.

If Seller consents to a sale, assignment or transfer of the subject Premises, Seller may elect to increase the interest rate of this Contract not to exceed **6%** per annum to compensate for the increased risk. The interest increase shall be effective from the date of such sale, assignment, or transfer. Such increase in interest shall entitle Seller to increase the monthly payments on the Contract so as to retire the obligation within the stipulated time provided for in this Contract. Consent by Seller to one transfer shall not constitute consent to other transfers or waiver of this section.

37. **Closing Costs.** Costs associated with the closing of this transaction shall be paid by as follows:

Split 50/50 by Purchaser and Seller.

Fees, costs or expenses relating to Purchaser's financing shall be paid by Purchaser. Seller to pay all real estate excise taxes at closing and to pay for title insurance.

38. **Indemnification.** Purchaser shall forever defend, indemnify and hold Seller harmless from any claim, loss or liability arising out of or in any way connected with Purchaser's possession or use of the Premises, Purchaser's conduct with respect to the Premises or any condition of the Premises, including attorney fees and costs incurred by Seller in such defense. In the event of any litigation or proceeding brought against Seller and arising out of or in any way connected with any of the above events or claims, against which Purchaser agrees to defend Seller, Purchaser shall, upon notice from Seller, vigorously resist and defend such actions or proceedings through legal counsel reasonably satisfactory to Seller.

39. **Preparation of Documentation.** All parties to this Contract acknowledge that this document was prepared by Peter L. Fels, PC, on behalf of Seller. Other parties to this transaction are hereby advised to seek the advice of independent legal counsel regarding their rights and responsibilities pursuant to this transaction and this Contract. By executing below, Purchaser acknowledges he has sought the advice of Carolyn Simms and Jeff Lindberg, or has waived his right to do so. Purchaser waives any presumption in Purchaser's favor or against Seller in the interpretation of this Contract.

40. **Waiver.** Failure of either party at any time to require performance of any provision of this Contract shall not limit the party's right to enforce the provision, nor shall any waiver of any breach of any provision constitute a waiver of any succeeding breach of that provision, or a waiver of that provision itself, or any other provision.

41. **Gender and Number.** As used in this Contract, the masculine, feminine or neuter gender,

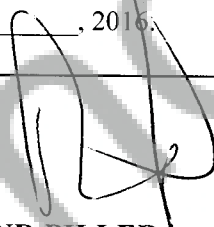

and the singular or plural number, shall be deemed to include the others whenever the context so indicates.

42. **Prior Agreements and Amendment.** This Contract constitutes the entire and complete agreement of the parties hereto, supersedes and replaces all prior or existing written and oral agreements between the parties, and may not be amended other than in writing, signed by all parties. The Parties acknowledge a previous rental agreement between them and agree that all conditions and contingencies of said agreement are satisfied and waive and release any and all claims arising out of said agreement or under the Washington Residential Landlord and Tenant Act, RCW chapter 59.18.

43. **Successors.** The terms and provisions of this Contract shall be binding upon and shall inure to the benefit of the parties, their legal representatives and approved successors and assigns. No interest of Purchaser shall be assigned, subcontracted or otherwise transferred voluntarily or involuntarily, without the prior written consent of Seller, which will not be unreasonably withheld. A consent by Seller to one transfer shall not constitute consent to other transfers or waiver of this section.

44. **Interpretation/Construction.** Paragraph headings have been included for the convenience of the parties and shall not be considered a part of this Contract for any purpose relating to construction or interpretation of the terms of this Contract, and shall in no way limit any of the provisions of this Contract. The parties agree that this Contract shall be construed and enforced according to the laws of the State of Washington. The term "Seller" shall mean and be construed as the holder of the vendor's interest hereunder.

IN WITNESS WHEREOF, the parties hereto have signed this instrument this 18th day of April, 2016.

SELLER:  RAYMOND PILLER	PURCHASER:  RONALD K. MEADOWS
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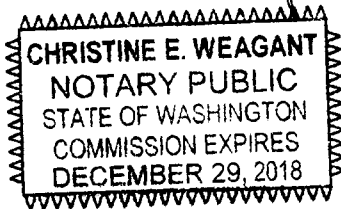
STATE OF WASHINGTON)

County of Clark)

: ss.

I certify that **RAYMOND PILLER** appeared personally before me and that I know or have satisfactory evidence that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this 18th day of April, 2016.



[Signature]
NOTARY PUBLIC FOR WASHINGTON
Residing in: Vancouver
My Commission expires:

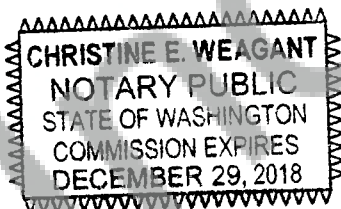
STATE OF WASHINGTON)

County of Clark)

: ss.

I certify that **RONALD K. MEADOWS** appeared personally before me and that I know or have satisfactory evidence that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this 18th day of April, 2016.



[Signature]
NOTARY PUBLIC FOR WASHINGTON
Residing in: Vancouver
My Commission expires: 12/29/18

EXHIBIT "A"

Commonly known as: 272 Taylor Road, Washougal WA
Parcel #: 02053000151800

A tract of land in the Southwest Quarter of Section 30, Township 2 North, Range 5 East of the Willamette Meridian, in the County of Skamania, State of Washington:

Lot 2 of the Jack Bell Short Plat No. 2 recorded in Book 2 of Short Plats, Page 166, Skamania County Records.

SUBJECT TO any covenants, conditions, easements and restrictions of record.

Skamania County Assessor
Date 4-20-16 Parcel# 2-5-30-1518
