

REAL ESTATE CONTRACT

THIS AGREEMENT, made and entered into this 2nd day of May, 1981, by and between ORVILLE PEEBLES and BERTHA PEEBLES, his wife; HEROLD PEEBLES and VICKI PEEBLES, his wife; and MARRIAN L. PEEBLES and DIANE P. PEEBLES, his wife, hereinafter referred to as the "seller", and RONALD S. GLEASMAN and PHYLLIS L. GLEASMAN, his wife, hereinafter referred to as the "purchaser", WITNESSETH:

DESCRIPTION OF PROPERTY

That the seller agrees to sell to the purchaser and the purchaser agrees to purchase of the seller the following described real and personal property, with appurtenances, situate in the County of Chelan, State of Washington, to wit:

As per Exhibit "A" attached hereto and by this reference incorporated herein; SUBJECT TO liens and encumbrances as listed on Exhibit "B" attached hereto and the agreed upon values as set forth in Exhibit "C".

PRICE AND PAYMENTS

The terms and conditions of this contract are as follows:
The purchase price is Three Hundred Five Thousand Dollars (\$305,000.00), of which Fifteen Thousand Dollars (\$15,000.00) has been paid, the receipt whereof is hereby acknowledged, and the balance of said purchase price shall be paid as follows:

The sum of \$25,000.00 including principal and interest is due July 15, 1981;
The sum of \$35,350.00 including principal and interest is due September 1, 1982;
The sum of \$32,500.00 including principal and interest is due September 1, 1983;
The sum of \$32,500.00 including principal and interest is due September 1, 1984;
The sum of \$32,500.00 including principal and interest is due September 1, 1985;
The sum of \$32,500.00 including principal and interest is due September 1, 1986;
The sum of \$35,000.00 including principal and interest is due September 1, 1987;

REAL ESTATE EXCISE TAX
PAID \$3,050.00
Chelan County Treasurer
Robert H. May
By [Signature] Deputy

37060

The sum of \$35,000.00 including principal and interest is due September 1, 1988;
The sum of \$35,000.00 including principal and interest is due September 1, 1989;
The sum of \$40,000.00 including principal and interest is due September 1, 1990;
The sum of \$40,000.00 including principal and interest is due September 1, 1991;
The sum of \$40,000.00 including principal and interest is due September 1, 1992;
The sum of \$40,000.00 including principal and interest is due September 1, 1993;
The sum of \$40,000.00 including principal and interest is due September 1, 1994;
The sum of \$40,000.00 including principal and interest is due September 1, 1995;
The sum of \$40,000.00 including principal and interest is due September 1, 1996; and

The entire balance of principal and interest is due on September 1, 1997. Interest on all deferred balances is at the rate of 10% per annum on the declining principal balance. All payments received shall be applied first to accrued interest and then to principal. Beginning in 1982 any payment as called for herein may be prepaid provided, however, that the final payment in full shall not be paid prior to January 1, 1988, without first obtaining the consent of the seller herein.

If the \$25,000.00 payment is paid timely on, or before July 15, 1981, then the payment is to be construed as being made on the date of closing and all of said \$25,000.00 is to be treated as down payment and credited against principal as of the date of closing.

TAXES AND ASSESSMENTS

The purchaser agrees to pay before delinquency all taxes and assessments, or other payments and obligations, that may as between grantor and grantee hereafter become a lien on said premises and personal property.

WASTE

The purchaser shall not permit nor commit any legal waste on said premises, provided, however, this provision shall not prohibit removal of sick or damaged trees according to accepted horticultural practices.

INSURANCE

The purchaser agrees, until full payment of the said purchase price, to keep all existing or replacement buildings on

said described premises insured to the full insurable value thereof against loss or damage by fire and extended coverage. All insurance is to be with a company acceptable to the seller and for the seller's benefit as his interest may appear and purchaser agrees to pay all premiums therefor and to deliver all policies and renewals thereof to the seller.

TITLE INSURANCE

The seller has delivered, or within ten (10) days herefrom will procure and deliver, to the purchaser, a title policy in usual form insuring the purchaser to the full amount of said purchase price against loss or damage occasioned by reason of defect in, or incumbrance against, seller's title to the property, not assumed by the purchaser, or as to which the conveyance hereunder is not to be subject. Seller agrees to continue making payments on any underlying contracts under which he may be purchasing this property. If seller fails to do so, purchaser may make said payment and deduct the same from the payment next due seller hereunder.

RISK OF DAMAGE INCLUDING CONDEMNATION

The purchaser agrees to assume all risk of damage to any improvements upon the premises, or of the taking of any part of the property for public use; that no such damage or taking, shall constitute a failure of consideration, but in case of such damage or taking, all moneys received by the seller by reason thereof shall be applied as a payment on account of the purchase price of the property, less any sums of money which the seller may be required to expend in procuring such money, or at the election of the seller, to the rebuilding or restoration of such improvements.

TITLE

The seller agrees, upon receiving full payment of the pur-

chase price and interest in the manner herein specified, to execute and deliver to purchaser a Statutory Warranty Deed and Bill of Sale to the property, excepting such part thereof which may hereafter be condemned, if any, free of incumbrances except those mentioned herein, and any that may accrue hereafter through any person other than the seller.

SUBORDINATION/NON-DISTURBANCE AGREEMENT

The seller agrees to execute a non-disturbance or subordination agreement upon request of purchaser to allow purchaser to obtain crop financing so long as purchaser, at the time of the request, is not in default in the performance of this contract.

MUTUAL PROMISES

The parties agree: (1) that the purchaser has made full inspection of the real estate and that no promise, agreement or representation respecting the condition of such real estate or improvements thereof, or relating to the alteration or repair thereof, or the placing of additional improvements thereon, shall be binding unless the promise, agreement or representation be in writing and made a part of this contract; (2) that the purchaser shall have possession of the real estate on execution of this contract and be entitled to retain possession so long as purchaser is not in default in carrying out the terms hereof; and (3) that upon default, forfeiture may be declared by notice sent by certified mail, return receipt requested, to the address of the purchaser, or his assigns, last known to the seller.

NO SALE OR ASSIGNMENT

The purchaser agrees not to sell or assign, lease or sublet the whole or any part thereof without first obtaining the written consent of the seller, which consent shall not be un-

reasonably withheld.

CARE OF TREES

The purchaser covenants and agrees to care for all of the trees on the above described premises in a proper husband-like manner in accordance with the best horticultural standards prevailing in the Chelan-Manson area. Seller and his agents shall have the right during daylight hours to inspect the premises.

DISPUTE OVER CARE OF TREES

In the event that the parties cannot agree as to the proper standards for the care of the trees then the parties mutually shall choose an experienced horticulturist field man who shall decide such controversy. In the event that the parties cannot agree on the selection of such horticulturist field man then after three (3) days written notice by either party to the other the senior field man for Trout, Inc. shall decide such controversy.

SELLER ASSUME CARE OF TREES

In the event that the purchaser shall not properly care for the trees, as determined by the above field man, the seller may, after five (5) days written notice, assume their care and the amount so expended shall be repayable by the purchaser immediately to the seller.

NATURAL CATASTROPHY

The purchaser is granted the privilege commencing with the payment due September 1, 1987, of paying only the accrued interest due or \$20,000.00, whichever is greater, in any two (2) years in lieu of the payment as required herein; provided, however, that the exercise of the privilege shall not extend the date for the final payment as required herein.

NOTICES

Any notices to be given by either party to the other may be mailed to the party, addressed to the last known address of either party as communicated by him to the other party.

ENFORCEMENT PROVISIONS

In case the purchaser fails to make any payment herein provided or to maintain insurance, as herein required, the seller may make such payment or effect such insurance, and any amounts so paid by the seller, together with interest at the maximum allowable rate, not to exceed 18%, per annum thereon from date of payment until repaid, shall be repayable by purchaser on seller's demand, all without prejudice to any other right the seller might have by reason of such default.

Time is of the essence of this contract, and it is agreed that in case the purchaser shall fail to comply with or perform any condition or agreement hereof or to make any payment required hereunder promptly at the time and in the manner herein required, the seller may elect, after thirty (30) days written notice to purchaser, to declare all of the purchaser's rights hereunder terminated, and upon their doing so, all payments made by the purchaser hereunder and all improvements placed upon the real estate shall be forfeited to the seller as liquidated damages, and the seller shall have the right to re-enter and take possession of the real estate; and no waiver by the seller of any default on the part of the purchaser shall be construed as a waiver of any subsequent default.

Upon seller's election to bring suit to enforce any covenant of this contract, including suit to collect any payment required hereunder, the purchaser agrees to pay a reasonable sum as attorney's fees and all costs and expenses in connection with such suit, which sums shall be included in any judg-

If the seller shall bring suit to procure an adjudication of the termination of the purchaser's rights hereunder, and judgment is so entered, the purchaser agrees to pay a reasonable sum as attorney's fees and costs and expenses in connection with such suit, and also the reasonable cost of searching records to determine the condition of title at the date such suit is commenced, which sums shall be included in any judgment or decree entered in such suit.

Ronald S. Gleasman
RONALD S. GLEASMAN, Purchaser

Phyllis L. Gleasman
PHYLLIS L. GLEASMAN, Purchaser

Orville M. Peebles
ORVILLE PEEBLES, Seller
Bertha Peebles
BERTHA PEEBLES, Seller
Herold Peebles
HEROLD PEEBLES, Seller
Vicki Peebles
VICKI PEEBLES, Seller
Marrian L. Peebles
MARRIAN L. PEEBLES, Seller
Diane P. Peebles
DIANE P. PEEBLES, Seller

STATE OF WASHINGTON)
) ss
COUNTY OF CHELAN)

On this day personally appeared before me ORVILLE PEEBLES, BERTHA PEEBLES, HEROLD PEEBLES, VICKI PEEBLES, MARRIAN L. PEEBLES and DIANE P. PEEBLES, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 27 day May, 1981.

Notary Public in and for the State
of Washington, residing at Chelan

EXHIBIT "A"

The East half of the Southeast quarter of Section 13, Township 28 N., Range 21 E.W.M., Chelan County, Washington, EXCEPT the following described parcel:

Commencing at the Northeast corner of said subdivision, a brass cap on a 3/4" iron pipe, and the True Point of Beginning for this description; thence S 0°30'04" East along the East line of said subdivision for 1548.97 feet to the centerline of County Road No. 316, known as Ivan Morse Road; thence continue S 0°30'04" E along the East line of said subdivision for 431.27 feet to a 5/8"x2' iron rod; thence N 77°51'27" W for 178.31 feet to the centerline of said County Road; thence N 19°37'58" W along said centerline for 148.36 feet to an angle point at County Engineer's Road Station 149+55; thence N 21°18'02" E along said centerline for 175.00 feet to an angle point at County Engineer's Road Station 151+30; thence N 59°53'02" E along the centerline for 105.80 feet to a point; thence N 51°25'00" W for 410.28 feet to a 5/8"x2' iron rod; thence N 61°48'03" W for 268.88 feet to a 5/8"x2' iron rod; thence S 53°09'00" W for 148.84 feet to a 5/8"x2' iron rod; thence continue S 53°09'00" W for 178.29 feet to a 5/8"x2' iron rod; thence N 9°56'53" W for 193.76 feet to a 5/8"x2' iron rod; thence N 12°25'30" W for 194.99 feet to a 5/8"x2' iron rod; thence N 42°11'13" W for 177.10 feet to a 5/8"x2' iron rod; thence N 69°58'36" W for 263.40 feet to a 5/8"x2' iron rod on the West line of said subdivision; thence N 0°30'09" W along the West line of said subdivision for 798.76 feet to the Northwest corner of said subdivision, a 5/8"x2' iron rod; thence S 89°56'28" E along the North line of said subdivision for 1320.06 feet to the Northeast corner of said subdivision, a brass cap on a 3/4" iron pipe, and the True Point of Beginning.

RESERVING UNTO the seller a well and pipeline easement as hereafter described and subject to the following conditions:

1. Easement Right. The easement consists of the right to remove all of the water from the well; to install a pump, motor and switching gear and fuel storage tank; to install a roadway for ingress and egress; to install a buried pipeline and power line in the easement area and the right to enter said easement to maintain, operate, repair and replace any of the above.

2. Easement Location. The easement area is 10 feet wide, being 5 feet on each side of the following described centerline:

Commencing at the Northeast corner of the above said subdivision, a brass cap on a 3/4" iron pipe; thence South 0°30'04" E along the East line of said subdivision for 1548.97 feet to the

centerline of County Road No. 316, known as Ivan Morse Road; thence S 59°53'02" W along said centerline for 75.50 feet to a point; thence N 51°25'00" W for 120.47 feet to the True Point of Beginning for the centerline of this description; thence S 53°15'38" W for 175.02 feet to a point; thence S 29°20'41" W for 202.11 feet to the center of an 8" steel well casing; Thence continue S 29°21'41" W for 10.00 feet to a point and the end of this centerline description.

EXCEPT the 40 foot right of way of County Road No. 316, known as Ivan Morse Road.

AND EXCEPT the right of way of the Lake Chelan Reclamation District's East Highline Flume and Ditch as recorded in Book 102, page 224, Chelan County Records.

EXHIBIT "B"

SUBJECT TO:

1. Contract of Sale and the Terms and Conditions Thereof:
Seller: Floyd R. Griffith and Becky J. Griffith, husband and wife,
Purchaser: Dale Nasman and Sharon Nasman, husband and wife
Dated: February 15, 1978
Recorded: February 16, 1978
Auditor's No.: 783332 E#27531
Affects: Said premises and other property
2. Seller's Assignment of Contract and Deed Given as Security Purposes and the Terms and Conditions Thereof:
Grantor: Floyd R. Griffith and Becky J. Griffith
Grantee: Central Washington Bank
Amount: \$25,000.00
Dated: February 21, 1979
Recorded: February 22, 1979
Auditor's No. 797041, Volume 762/page 1180
3. Seller's Assignment of Contract and Deed Given as Security Purposes and the Terms and Conditions Thereof:
Grantor: Floyd R. Griffith and Becky J. Griffith
Grantee: Central Washington Bank.
Amount: \$50,000.00
Dated: May 24, 1979
Recorded: May 29, 1979
Auditor's No.: 800428, Volume 765/page 796
4. Contract of Sale and the Terms and Conditions Thereof:
Seller: Dale Nasman and Sharon Nasman, husband and wife
Purchaser: Herold Peebles, Orville Peebles, Marrian Peebles and Bertha Peebles, Vicki Peebles, Diane Peebles, their wives
Dated: May 1, 1978
Recorded: May 12, 1978
Auditor's No.: 786536 E#28360
Affects: Said premises and other property
5. Terms and condition of chattel mortgages, crop contract, marketing agreements and/or financing statements, if any, covering crops on or to be grown upon said lands and chattels and fixtures situated thereon.
6. Liability to future assessments in Lake Chelan Reclamation District.
7. Liability to future assessments for Fire Patrol.
8. Easement Including the Terms and Conditions Thereof:
Grantee: Public Utility District No. 1 of Chelan County
Purpose: Construct, improve, repair, operate and maintain an electric transmission and distribution line, together with right to ingress and egress, also right to cut brush and timber, that might constitute a menace to line.

Dated: April 25, 1968
Recorded: May 7, 1968
Auditor's No. 679053, Book 687, page 914
Affects: Portion of said premises

10. Easement Including the Terms and Conditions Thereof:
Grantee: The United States of America, its successors and assigns
Purpose: To survey, construct, operate, inspect, maintain and remove pipeline and all appurtenances, together with right of ingress and egress
Recorded: March 16, 1973
Auditor's No.: 728242, Book 713, page 1089
Affects: Portion of said premises and other property
11. Easement and the Terms and Conditions Thereof:
Grantee: United States of America
Purpose: Right of way to have ingress and egress to said property, and survey, construct, operate, inspect, maintain and remove pipeline or conduit
Recorded: April 23, 1973
Auditor's No.: 729473, Book 714, page 665
Affects: Portion of said premises
12. Easement for road created by instrument recorded July 10, 1953, under Auditor's No. 523304. Affects portion of said premises.
13. Rights and liabilities under customary agreement for water right in Lake Chelan Reclamation District restricting the use of said water to irrigation, stock and domestic purposes, creating a lien upon the land for assessments, and granting an easement for lateral ditches and pipelines used in connection with the District's irrigation system.
14. Reservation to Lake Chelan Reclamation District, a perpetual right of way for flumes, drainage lines, pipe lines and power and telephone lines, with the right of access for construction and maintenance of same under Auditor's No. 365620.
15. Matters relating to water and water rights and rights of way for necessary conduits and facilities for distribution of water, if any, and right of entry for repair and maintenance.
16. Pendency of Chelan County Superior Court Cause No. 34238, being an action for determination of amount of irrigation water to be used on said premises.
Plaintiff: Orville Peebles, et. ux.; Herold Peebles, et. ux.; Marrian Peebles, et. ux.
Defendant: Brian Thompson, Earl Stanford, William E. Lindert, Floyd Lewman, and Edward Batch, directors of Lake Chelan Reclamation District; and Lake Chelan Reclamation District, a municipal corporation
Attorney for Plaintiff: Jack Doty

FEE 1400
FILED FOR RECORD

TRANSAMERICA TITLE INSURANCE CO.

MAY 18 1 45 PM '81

Cont

BOOK 246 PAGE 857-868
CHelan COUNTY AUDITOR
WENATCHEE, WASH

EXHIBIT "C"

The parties agree that the sale price of \$305,000.00 is based upon the following reasonable and agreed values:

1. The land value of \$ 35,000.00
2. The building value of 10,000.00
3. The irrigation system value of 15,000.00
4. The tree value of 242,000.00
5. The well value of 3,000.00