

AGREEMENT

THIS AGREEMENT made and entered into this 3rd day of July, 1980, by and between ROBERT A. GOELZER, a single man, hereinafter designated as the party of the first part, or seller; and DREW D. HANSON and CHRISTINE M. SCHULZ, husband and wife, hereinafter designated as the parties of the second part, or buyers;

WITNESSETH:

WHEREAS, the party of the first part, or seller, is the owner of the hereinafter described real property, and does desire to sell, convey, and dispose of the same upon the terms, conditions, and covenants hereinafter contained; and

WHEREAS, the parties of the second part, or buyers, do desire to purchase and acquire the hereinafter described real property, and in consideration therefor are willing to make the payments in the amount and at the time as this contract specifies; and further covenant to perform upon their part each and every condition, term, and covenant to be performed; buyers having inspected the property being purchased and accept it in its present condition without warranty;

NOW, THEREFORE, for and in consideration of the sum of Thirty-Eight Thousand (\$38,000.00) Dollars, payable in the manner and form hereinafter specified, and in consideration of the performance of each and every covenant by the parties of the second part, the party of the first part, or seller, does agree to sell, transfer, and convey unto the parties of the second part, or buyers, the following described real



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OCT - 2 2009

property upon the terms, conditions, and covenants set forth in this agreement.

REAL PROPERTY:

Real property in the County of Kootenai, State of Idaho, described as follows:

See Exhibit "A" attached.

PURCHASE PRICE:

The total purchase price shall be the sum of Thirty-Eight Thousand (\$38,000.00) Dollars, payable in the manner and form following:

A. The party of the first part does hereby acknowledge by his execution hereof, receipt of the sum of One Thousand (\$1,000.00) Dollars deposited as earnest money on the 3rd day of June, 1980. The balance of the down payment, that is, Nine Thousand (\$9,000.00) Dollars, is to be paid at the time of execution of this agreement, making a total down payment of Ten Thousand (\$10,000.00) Dollars, to be applied toward the total purchase price.

B. The remaining balance, namely, Twenty-Eight Thousand (\$28,000.00) Dollars, shall be paid to the seller by the buyers at the rate of Two Hundred Forty-Three and 04/100 (\$243.04) Dollars or more per month, including interest at the rate of eight and one-half ($8\frac{1}{2}\%$) percent per annum, the first payment being due and payable on the 1st day of August, 1980, and the sum of Two Hundred Forty-Three and 04/100 (\$243.04) Dollars or more per month, including interest, to be paid on the 1st

day of each succeeding month thereafter until the total purchase price, plus interest, has been paid.

C. All payments shall be applied first to interest, and the balance to the reduction of the principal indebtedness. Any balance payable in accordance with this agreement of sale shall bear interest at the rate of eight and one-half (8½%) ^{4th W.D.} percent per annum, commencing the ~~1st~~ day of July, 1980. *QAD*

D. Accelerated payment or payments are to be allowed under this contract without prepayment penalty. All payments except the down payment, are to be made through the escrow holder hereinafter named.

POSSESSION:

The buyers shall have possession of said property upon execution of this agreement, and shall remain in possession thereafter so long as they faithfully perform each and every covenant, term, and condition hereinafter contained upon their part to be performed.

TAXES AND ASSESSMENTS:

The party of the first part does warrant to the parties of the second part that all taxes and assessments against the real property, including the year 1979, have been paid or will be paid. Taxes for the year 1980 will be prorated as between buyers and seller, seller to pay taxes due to the 3rd day of July, 1980, and buyers to pay balance of 1980 taxes and all subsequent taxes.

RELEASE OF TWO ACRE PARCEL:

1. At the request of buyers, and providing buyers are not in default of any of the contract provisions, the seller agrees to release by Warranty Deed to the buyers, a two (2) acre parcel for the purpose

of construction of a home by buyers, said request for release to be eligible after buyers have reduced the principal balance by at least One Thousand (\$1,000.00) Dollars.

2. Concerning the parcel released, buyers agree, if requested by seller, to execute a Second Deed of Trust, or Second Mortgage or Lien, in favor of seller, subject only to the Mortgage, Deed of Trust or Security Agreement, as may be executed by buyers and the lending institution or bank providing the funds for the construction of the home, for which the release is requested and the loan would be made.

3. All costs of surveying, description of the legal property to be released, together with the legal description of any easements necessary to accompany same, preparation of release documents, execution, and delivery of any deed or other documents necessary to effect the release of such parcel, are to be the sole expense of the buyers.

TITLE INSURANCE:

Party of the first part, or seller, will at his expense procure a purchaser's title insurance policy, insuring a good and marketable title in the buyers' names in the amount of Thirty-Eight Thousand (\$38,000.00) Dollars.

HAZARDS AND INSURANCE:

Buyers assume all hazards of damage to or destruction of any improvements now on said premises or any part thereof for public use. Inasmuch as the property involved in this sale agreement is unimproved property, fire insurance is not required.

WATER SERVICE:

Seller, Robert A. Goelzer, being the owner of an eight inch (8") water well, pump, and storage tank, on property near the parcel of real property herein sold to buyers, does agree to provide domestic water to buyers from said well on the following terms and conditions:

1. Seller agrees, at his expense, to install a two inch (2") water line capable of providing a minimum of 500 gallons per day of usable domestic water from the well to the center of the South property line of seller's property, ~~and to grant buyers an easement for maintenance, repair, or replacement of said line.~~ This is to be accomplished within thirty (30) days from execution of this contract (weather permitting).

2. All water is to be metered and seller to charge buyers the sum of Eight (\$8.00) Dollars per month as the basic or minimum charge for 6,000 gallons of water per month. All additional water is to be furnished at a cost of One Dollar (\$1.00) per thousand gallons. No water hookup fee or charge to buyers.

3. Water meter is to be read every three (3) months on calendar quarter basis, and excess amount over 6,000 gallons per month billed to sellers (same as any other water users), and said amount payable on the 5th day after the quarter period closed.

4. Three (3) months' base water charge (\$24.00) is payable in advance for each three (3) month period (quarter). Such monthly payments to begin upon the installation of water meter.

5. Buyers to pay the sum of Fifty (\$50.00) Dollars only for the water meter servicing their property, and all excess cost or expenses to be paid by seller.

6. Seller advises that there are presently two (2) homeowners (including seller) receiving water from the well, and it is the intent of seller to convey the water well, pump, equipment, and lines, to a water users' association, or a formal water district, to comprise of no more than nine (9) members, of which buyers agree to become a member of said association or district. That pending the formation of said association or district seller is to be in control of said water system, and shall have the right to assess each user for costs of replacement or maintenance or repair, other than the ordinary electrical costs necessary to operate the water system. Such assessment to be prorated equally among all water users of record at time of assessment. (a) Such collected funds shall be held in special account trust to be used to pay costs of replacement, or maintenance or repair and ordinary electrical costs necessary to operate the water system. In the event such costs shall exceed funds held in said special account, an assessment, prorated equally among all water users of record, shall be made to cover such expenses. All other costs for expansion of water system to accomodate the contemplated nine (9) water users shall be paid by seller.

7. Buyers agree to assist seller in the preparation of the rules and regulations to apply to members of the water users' association or the water district contemplated to be formed when there are nine (9), but not less than six (6), users of water on seller's tracts.

ASSIGNMENT:

Buyers shall have the right and privilege of assigning this contract, providing written permission is first obtained from seller.

However, in this regard seller will not arbitrarily withhold any consent to an assignment to any competent, qualified person or persons with acceptable credit rating.

ESCROW HOLDER:

The escrow holder who shall act hereunder as escrow agent is hereby designated as the First National Bank of Northern Idaho, Rathdrum Branch, Rathdrum, Idaho, which shall receive the original of this contract, the Warranty Deed, Title Insurance Policy when completed, and other related instruments that may be agreed upon by the parties; and shall keep said instruments until this contract has been performed in full by the parties of the second part, or default as may hereinafter be provided for, and said escrow holder shall receive all payments made hereunder by the parties of the second part for the benefit of the party of the first part. Parties do each specifically agree that they shall each bear and share equally the cost of the above escrow so named.

MISCELLANEOUS:

That there does presently exist an easement in favor of the Washington Water Power Company, for an electric power line which traverses the Southeast portion of the property.

~~Seller agrees to execute an easement to buyers for a water line over the property, which extends from the well presently owned by seller to the property line of the buyers, said easement to be for the repair and maintenance of said water line which services the property being sold to buyers.~~

It is agreed and understood by the parties hereto that this agreement and related instruments were prepared by the attorney representing the seller, and buyers are advised to obtain their own counsel if they so desire; buyers to pay no more than Seventy-Five (\$75.00) Dollars on cost of document preparation.

DEFAULT:

If the parties of the second part shall fail to make the payments at the time and in the amount specified, then party of the first part shall give written notice thereof by certified mail to the parties of the second part, setting forth wherein said parties of the second part are in default of this agreement, and the parties of the second part shall have sixty (60) days from date thereof to cure, correct and vacate said default. If the parties of the second part fail to cure, correct and vacate said default within the sixty (60) days, then the party of the first part may at his option rescind this contract, demand and take possession of the property herein covered, and retain for his use and benefit all moneys and sums hereunder paid to him by the parties of the second part as reasonable rental and liquidated damages and demand all instruments in escrow. If the party of the first part does not desire to rescind said agreement, he may at his option maintain such action at law or in equity for the specific performance of this agreement, in which event the parties of the second part agree to pay in addition to any judgment fixed by the court, reasonable attorney's fees and court costs for said action instituted, or for any action instituted upon and by virtue of this agreement. The parties of the second part, or buyers, shall further be responsible for the reasonable charges, including attorney's fees, incurred by the party of the first part, or seller, in the preparation and/or mailing of such Notice of Forfeiture under this agreement, such

sum not to exceed the amount of One Hundred (\$100.00) Dollars.

For the purpose of this agreement any notice or demand to the party of the first part, or seller, is to be sent to:

P. O. Box 278
Rathdrum, ID 93538

and as concerns the buyers is to be sent to:

Route 1, Box 103
Rathdrum, ID 83858

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their hands and seals the day and year first above written.

Robert A. Goelzer
Seller

Drew L. Hanson

Christine M. Schuly
Buyers

STATE OF IDAHO)
) ss.
County of Kootenai)

On this 3rd day of July, 1980, before me, the undersigned Notary Public, personally appeared ROBERT A. GOELZER, a single man, known to me to be the person whose name is subscribed to the foregoing Agreement as the seller, and acknowledged to me that he executed said agreement.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.)

T. McCall
Notary Public for Idaho
Residing at Hot Falls
Commission expires Life Term

STATE OF IDAHO)
) ss.
County of Kootenai)

On this 30th day of July, 1980, before me, the under-
signed Notary Public, personally appeared DREW D. HANSON and
CHRISTINE M. SCHULZ, husband and wife, known to me to be the persons
whose names are subscribed to the foregoing Agreement as the buyers, and
acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed
my official seal the day and year first above written.

K. H. Hall
Notary Public for Idaho
Residing at Post Falls
Commission expires: Life Time

EXHIBIT "A"

That portion of the Southwest quarter of the Northwest quarter and of Government Lot 2, Section 17, Township 52 North, Range 4 W. B. M., Kootenai County, State of Idaho, described as follows:

Beginning at a point on the Southwest side of Gunning Road, 190 feet Southeasterly from the intersection of said road and the center of Rathdrum Creek, being the most Easterly corner of land described in deed to Richard R. Lund, et ux, recorded October 6, 1970, as Instrument No. 570658; thence

along said Lund Land, South $24^{\circ}00'$ West 873 feet; thence

South $20^{\circ}00'$ West 127 feet to the South line of the Southwest quarter of the Northwest quarter of said Section 17; thence

East, leaving said Lund Land, and along the South line of said Southwest quarter of the Northwest quarter and Government Lot 2 of said Section, 900 feet, more or less, to the Southwesterly line of Gunning Road; thence

Northwesterly along said Southwesterly line 1045 feet, more or less to the Point of Beginning.

SCANNED
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