

Return to:

Steven H. Sackmann
Sackmann Law Office
P. O. Box 409 - 455 E. Hemlock, Suite A
Othello, Washington 99344

REAL ESTATE CONTRACT

Auditor file number of document to be released or assigned
(if applicable) _____

1. Additional references on page _____ of document

Grantor(s)

1. John H. Galley and J. Diane Galley, Trustees of the Galley Living Trust
dated May 19, 2005

Grantee(s)

1. _____

2. _____

Additional Grantee(s) on page _____ of document

Legal Description (lot, block, plat or section, township, range)

1. That portion of the SW1/4 of Section 31, Township 3S, Range 16,
Sherman County, Oregon

Additional legal description on page 2 of document

Assessor's property tax parcel or account number

1. ORMAP Lot: 03S16-4100, Ref#1746

THIS AGREEMENT, made and entered into this ____ day of _____, 2021, by and between JOHN H. GALLEY and J. DIANE GALLEY, Trustees of the Galley Living Trust dated May 19, 2005, hereinafter referred to as "SELLER", and _____, hereinafter referred to as "PURCHASER".

WITNESSETH:

SELLER agrees to sell to PURCHASER and PURCHASER agrees to purchase from SELLER, the following described real estate with the appurtenances, situate in the County of Sherman, STATE OF OREGON, to wit:

That portion of the Southwest Quarter of Section 31, Township 3 South, Range 16, EWM, Sherman County, Washington.
(ORMAP Lot: 03S16-4100, Ref#1746)
(155.34 gross acres; 135.62 net acres)

TOGETHER WITH Conservation Reserve Payment (CRP) Contract No. 10166A which payment shall be paid to PURCHASER for all remaining years of the CRP Contract through 2023. PURCHASER must assume the CRP contracts and agree to continue it through the expiration date. All documentation for the assumption will be completed at closing and must be approved by Farm Service Agency of the USDA prior to closing. SELLER agrees to arrange the release of all farming entities from the contract other than SELLER and assign the contract income to PURCHASER.

TOGETHER WITH all improvements and fixtures situated on the above described real property on the date of this Agreement, unless herein otherwise provided.

TOGETHER WITH all water and water rights including ditches, appropriations, franchises, privileges, permits, licenses and easements that are on, connected with, or usually had and enjoyed in connection with the above described property.

TOGETHER WITH such right, title and interest as Seller has or may have, or may be able to convey, with respect to rights and services appurtenant to the above described real property, including but not limited to utility services and other services and agreements directly benefiting the above described property.

SUBJECT TO:

Rights reserved in Federal patents or state deeds; reservations, restrictions, land use and zoning laws; plat dedications, restrictive and protective covenants, easements and rights-of-way of record.

1. **PURCHASE PRICE:** SELLER and PURCHASER agree that the total purchase price including earnest money, but excluding interest and insurance and all other charges, is the total sum of \$_____.

2. **PAYMENT OF PURCHASE PRICE:** SELLER and PURCHASER agree that the total purchase price shall be paid as follows:

PURCHASER shall pay SELLER the sum of \$_____, i.e. Thirty Percent (30%) of the purchase price, including earnest money, as a down payment on the closing date, with the unpaid balance payable as follows:

PURCHASER shall pay SELLER the unpaid balance in the sum of \$_____ together with interest at 4.5% per annum, calculated from the date of closing, i.e. the ____ day of _____, 2021, in semi-annual installments in the sum of \$_____, including interest, commencing Six (6) months from the date of closing, i.e. the ____ day of _____, 2021, and continuing every Six (6) months thereafter until the entire balance of principal and interest is paid in full.

The entire balance of principal and interest shall be paid in full no later than Ten (10) years from the date of closing.

PURCHASER shall be not entitled to prepay or make additional payments on this Contract.

3. **PLACE OF PAYMENT:** SELLER and PURCHASER agree that all payments to be made hereunder shall be made at Allegro Escrow Services, 12423 E. Broadway Avenue, Spokane Valley, Washington, 99216, (509) 467-5233, allegroescrow.com, or at such other place as SELLER may direct in writing.

4. **LATE PAYMENTS:** SELLER and PURCHASER agree that in addition to the monthly payments, PURCHASER shall pay SELLER the sum of Five Percent (5%) of the semi-annual payment, i.e. \$_____, each time the installment payment is not received within Ten (10) days from the due date.

5. **POSSESSION AND RISK:** PURCHASER shall be entitled to possession of said premises on the date of closing and PURCHASER assumes all risk of damage to any improvements upon the premises, or of the taking of any part of the property for public use from and after said date.

6. **CONDITIONAL SALE:** Title to the above-described property shall remain vested in SELLER at all times during the effective term of this Contract, and shall not vest in PURCHASER until all sums payable to SELLER hereunder are fully paid, and all terms, covenants, and conditions of this Contract are fully performed.

7. **TAXES AND ASSESSMENTS:** PURCHASER agrees to pay before delinquency all taxes and assessments legally levied against the said property before the same shall become delinquent.

8. **FIRE INSURANCE:** PURCHASER agrees to keep any buildings and improvements now on or hereafter placed upon the premises unceasingly insured against loss or damage by fire and other extended risk casualties, to the full insurable value thereof in an insurance company satisfactory to SELLER for the benefit of any mortgagee and SELLER and PURCHASER as their interests may appear, until the purchase price is fully paid, and to provide SELLER with proof of payment of insurance premiums upon request.

9. **TITLE INSURANCE:** SELLER will immediately procure and deliver to PURCHASER a title policy insuring PURCHASER to the full amount of the purchase price against loss or damage occasioned by reason of defect in, or encumbrance against, SELLER'S title to the premises not assumed by PURCHASER, or as to which the conveyance hereunder is not to be subject.

10. **BREACH OF COVENANTS:** In the event that PURCHASER shall fail to pay before delinquency any taxes or assessments or any payments required to be made on account of any assumed mortgage, contract or encumbrance, or fails to insure the premises, as above provided, SELLER may pay such taxes and assessments, make such payments and cure any defaults, and effect such insurance as may be necessary and any amounts paid by SELLER shall be deemed a part of the purchase price and become payable by PURCHASER to SELLER at the rate of Twelve Percent (12%) per annum until paid, without prejudice to other rights of SELLER by reason of such failure to pay.

11. **INSPECTION OF PREMISES:** PURCHASER agrees that full inspection of said real estate 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, except as otherwise specifically provided herein, 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.

12. **SELLER'S REMEDIES:** In the event PURCHASER is in default of this Contract, SELLER may, at SELLER'S election, exercise the following remedies:

(a) **Suit for Delinquencies.** SELLER may institute suit for any sums then due and payable under this Contract as of the date of the judgment and any sums which have been advanced by SELLER pursuant to the provisions of this Contract, together with interest on all of said sums at the rate or rates specified in this Contract from the date each such amount was advanced or due, as the case may be, to and including the date of collection;

(b) **Acceleration.** Upon giving PURCHASER not less than Fifteen (15) days written notice of SELLER'S intent to do so

(within which time any monetary default may be cured without regard to the acceleration), if the default is in the nature of a failure to timely pay any principal, interest, insurance premium, tax, or other sum of money required to be paid herein; or, is a conveyance, transfer or assignment of the Property, or any portion thereof, or of this Contract or any interest therein in any manner other than as permitted by the terms of this Contract; or, constitutes PURCHASER committing or permitting waste on or to the Property, SELLER may declare the entire unpaid balance of the Purchase Price and all interest then due thereon immediately due and payable and institute suit to collect such amounts, together with any sums advanced by SELLER pursuant to the provisions of this Contract together with interest on all of said sums at the rate or rates specified in this Contract from the date each such amount was advanced or due, as the case may be, to and including the date of collection;

(c) **Forfeiture and Repossession.** SELLER may cancel and render void all rights, titles and interests of PURCHASER and PURCHASER'S assigns and successors in this Contract and in the Property (including all of PURCHASER'S then existing rights, interests and estates therein and improvements thereon) by giving a Notice of Intent to Forfeit pursuant to ORS 93.905, as now or hereafter amended, and said cancellation and forfeiture shall become effective if the default therein specified has not been fully cured within Ninety (90) days thereafter and SELLER gives and records a Declaration of Forfeiture pursuant to ORS 93.905, as now or hereafter amended. Upon forfeiture of this Contract, SELLER may retain all payments made hereunder by PURCHASER and may take possession of the Property Ten (10) days following the date this Contract is forfeited and summarily eject PURCHASER and any person or persons having possession of the Property 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 Property 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 Property and may recover from PURCHASER or such person or persons in such proceedings, the fair rental value of the Property for the use thereof from and after the date of forfeiture, plus costs, including SELLER'S reasonable attorneys' fees;

(d) **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;

(e) **Abandonment.** In the event that PURCHASER abandons the property while in default, SELLER may take immediate possession of the property for the purpose of protecting and preserving the property and may mitigate damages by renting or operating this property during the period of enforcement of SELLER'S rights under this Contract, without prejudicing SELLER'S remedies under this Contract;

All the foregoing remedies are cumulative and are not mutually exclusive and may be exercised in conjunction with each other to the extent permitted by law or in equity and shall be in addition to other rights or remedies granted by law or in equity for breach of this Contract; PROVIDED, HOWEVER, except as provided in this Contract with respect to PURCHASER'S sale, conveyance, assignment or transfer of the Property, or any portion thereof, or of this Contract, or any interest therein, in a manner other than as permitted by this Contract, SELLER shall not have the right to accelerate the remaining balance of the Purchase Price in the event SELLER elects to forfeit PURCHASER'S interest in the Property and such forfeiture is being enforced or is completed.

13. **PURCHASER'S REMEDIES:** In the event SELLER shall default in any of SELLER'S obligations under this Contract and such default continues for Thirty (30) days after PURCHASER gives SELLER written notice specifying the nature thereof and the acts required to cure the same, PURCHASER shall have the right to specifically enforce this Contract, institute suit for PURCHASER'S damages caused by such default, or pursue any other remedy which may be available to PURCHASER at law or in equity on account of SELLER'S default.

14. **ABANDONMENT:** In the event that PURCHASER abandons the property while in default, SELLER may take immediate possession of the property and may mitigate damages by renting or operating this property during the period of enforcement of SELLER'S rights under this Contract, without prejudicing SELLER'S remedies under this Contract.

15. **WAIVER:** Any extension of time in payments or acceptance of part thereof, or failure of SELLER to enforce promptly any other breach of this Contract by PURCHASER shall not be construed as a waiver on the part of SELLER of the strict performance of all of the covenants and conditions herein, and shall not prejudice any of SELLER'S remedies.

16. **SECURITY INTEREST:** PURCHASER hereby grants SELLER a Purchase Money Security Interest in all rents received by PURCHASER by reason of leases of the property. PURCHASER shall have the right to collect and utilize all rents until and unless PURCHASER defaults on the Contract, in which case, SELLER, without notice, shall be entitled to exercise all remedies to collect the rents. SELLER shall have all

rights and remedies as provided for in the Uniform Commercial Code in effect at the date of any default by PURCHASER. PURCHASER authorizes SELLER to record a UCC Financing Statement evidencing SELLER'S security interest in the rents.

17. **CONDITION OF PREMISES:** PURCHASER shall maintain the property and all improvements now or later placed on the property in a good state of repair and shall not make any material alterations without the written consent of SELLER.

18. **USE AND WASTE:** PURCHASER shall not allow or commit any waste of or upon the premises and shall not use the premises for any illegal purpose.

19. **FARM PROPERTY:** PURCHASER shall farm all farm and/or orchard land in a good husbandlike manner, according to the customary standards of farming in the area in which the property is situated without unnecessary interruptions or delays. If PURCHASER is in default on any payment required by this Contract, a breach of this provision shall entitle SELLER, upon the giving of Three (3) days' notice to go upon the property and perform such services and acts as are necessary to comply with this provision. The necessary costs and expenses of these services and acts shall be considered an indebtedness immediately payable to SELLER which SELLER has the right to collect together with interest at the rate of Twelve Percent (12%) per annum. PURCHASER shall have the right to correct any deficiencies during the Three (3) day period. In the event this Contract is forfeited, all growing crops shall be vested in SELLER without any right of PURCHASER to reclamation or compensation for money paid, improvements or growing crops.

20. **CONDEMNATION:** If the property, or any part thereof is condemned or taken by power of eminent domain by any public or quasi-public authority, SELLER or PURCHASER or both may appear and defend or prosecute in any such proceeding. All compensation or awards received from the condemning authority by either SELLER or PURCHASER shall be applied first to the payment of the expenses of litigation, next to the acquisition and installation costs of any replacements or restorations of condemned property requested by PURCHASER in writing not later than Fifteen (15) days following the date possession is required to be surrendered by the condemning authority, next to the reduction of the unpaid balance of this Contract in the inverse order of its maturity, next to any other sums then due to SELLER (including accrued and unpaid interest and reimbursable advances and expenses), and the surplus, if any, shall be paid to PURCHASER. All of the replacements and restorations shall have the same purpose and function as the condemned property, except as SELLER may otherwise consent in writing. Any condemnation awards used to restore or replace any of the Property shall be deposited in a disbursement account and disbursed in the manner specified herein for insurance proceeds following an insured casualty. No total or partial taking of the Property by condemnation shall constitute a failure of consideration or provide a basis for the rescission of this Contract.

21. **TRANSFER OF PURCHASER'S INTEREST:** If PURCHASER'S title to the property, or any portion thereof, is conveyed to any person, SELLER, may, at its option: (a) following any required notice, declare the entire remaining balance of the Purchase Price and all accrued and unpaid interest thereon immediately due and payable, or (b)

adjust the interest rate of this Contract, effective as of the date of the transfer. SELLER may elect one of the said options by written notice to PURCHASER within Thirty (30) days after being advised in writing of the sale and the transferee, and if such election is not made within that period, the above rights for the transaction so described shall be deemed waived. If SELLER elects to adjust the interest rate, the entire outstanding balance of this Contract may be prepaid at the closing of such conveyance. For the purposes of this Contract, a "conveyance" of the "Purchaser's title" shall include a transfer by real estate contract, vendee's assignment, deed, forfeiture, foreclosure, sheriff's sale, trustee's sale, deed in lieu of any such involuntary sale, lease with purchase option or for a term in excess of three years (including extension options), and, if PURCHASER is a corporation or partnership, a voluntary or involuntary transfer or series of transfers of any shares of partnership interests which results in a change of Fifty Percent (50%) or more of the voting control of such entity (from the composition thereof as of the date of this Contract). A conveyance of PURCHASER'S title shall not include: (a) a lease or other transfer of possession of the property for three years or less without options to purchase the property or any interest therein; (b) a transfer to PURCHASER'S spouse or children; (c) a transfer by devise, descent, or operation of law resulting from the death of any person comprising PURCHASER; (d) a transfer into an inter vivos trust in which PURCHASER is and remains a beneficiary and which does not relate to a transfer of rights of occupancy in the property; or (e) a transfer resulting from a decree of dissolution of marriage, legal separation agreement, or property settlement agreement which a spouse of any person comprising in PURCHASER retains or acquires the property. No transfer of the property or any portion thereof shall release the transferring person from liability on this Contract unless such release is expressly acknowledged by SELLER in writing.

22. ASSUMPTION OF OBLIGATIONS BY ASSIGNEE: Any sale, conveyance, assignment or transfer of PURCHASER'S interest hereunder or in the Property, or any portion thereof, shall constitute an assumption by the assignee of PURCHASER'S obligation hereunder. SELLER shall have the right to enforce any such obligation against the assignee directly, whether or not SELLER releases PURCHASER of PURCHASER'S obligations under this Contract. This provision shall be self-operating and shall not require the execution of a formal assumption agreement by the assignee.

23. NON-RELEASE OF PURCHASER: Any sale, conveyance, assignment or transfer of PURCHASER'S interest hereunder or in the Property, or any portion thereof, or of the interest of any assign or successor in interest of PURCHASER, shall not result in any release of the obligations of PURCHASER, unless SELLER, in writing, agrees to such release.

24. REMOVAL OF TIMBER; MINERALS, INCLUDING SOIL, AND GRAVEL: PURCHASER shall not cut or remove any timber or forest products from the property; extract, process, mine, or otherwise exploit any gas, mineral, or other valuable deposit on or under the property; or remove or permit removal of any soil or gravel from the property, without SELLER'S prior written consent. SELLER shall have no obligation to give such consent, but if given may be conditioned by SELLER on such

conditions deemed reasonable to SELLER, including but not limited to, application of any sale proceeds to the unpaid purchase price balance.

25. **INTEGRATED DOCUMENT:** SELLER AND PURCHASER agree that there are no verbal or other agreements which modify or affect this agreement unless approved in writing by the parties.

26. **SUCCESSORS IN INTEREST:** This Contract shall inure to the benefit of and be binding upon the heirs, assigns, and successors in interest of the parties hereto.

27. **COSTS AND ATTORNEY FEES:** If either party shall be in default under this Contract, the non-defaulting party shall have the right, at the defaulting parties' expense, to retain an attorney or collection agency to make any demand, enforce any remedy, or otherwise protect or enforce its rights under this Contract. The defaulting party hereby covenants and agrees to pay all costs and expenses so incurred by the non-defaulting party including but without limitation, arbitration and court costs, collection agency charges, notice expenses, title search expenses, and reasonable attorneys' fees (with or without arbitration or litigation), and the failure of the defaulting party to promptly pay the same shall cause a failure of cure of the specified default and shall in itself constitute a further and additional default. In the event either party hereto institutes any action (including arbitration) to enforce the provisions of this Contract or for any cause arising out of this Contract, the prevailing party in such action shall be entitled to reimbursement by the losing party for all of its court costs and reasonable attorneys' fees and fees or costs normally charged or advanced by such attorneys for items such as reports, photocopies, telephone tolls, mileage, travel, boarding, expert fees, accounting fees or other advanced costs and fees, including such costs and fees that are incurred on appeal and in the enforcement in any judgment. In the event it is reasonably necessary for either party to employ counsel or incur expense, in or out of court in any bankruptcy or reorganization proceedings, to enforce, establish or protect such party's rights hereunder, such party who prevails therein or so protects or establishes such party's rights hereunder shall be entitled to recover all reasonable attorneys' fees and expenses so incurred. All payments and reimbursements required by this paragraph shall be due and payable on demand, and may be offset against any sums owed to the party so liable in order of maturity, and shall bear interest at the rate of Twelve percent (12%) per annum, from the date of demand to and including the date of collection or the due date of any sum against which the same is offset, as the case may be.

28. **APPLICABLE LAW/CONSTRUCTION/VENUE:** This Contract shall be governed and interpreted in accordance with the laws of the State of Oregon. In the event this Contract is in conflict with the provisions of any law or statutes governing the subject matter hereof, such law or statute only to the extent of such conflict shall be controlling. The venue of any action brought to interpret or enforce any provision of this Contract shall be laid in the county in which all or some of the Property is situated. All sums herein referred to shall be calculated by and payable in the lawful currency of the United States.

29. **WARRANTY FULFILLMENT DEED:** SELLER agrees to execute, at closing, a Warranty Fulfillment Deed, conveying the property described herein, free of encumbrances, except those above mentioned and except those which are placed against the property after the date of this Contract by persons other than SELLER. SELLER hereby authorizes the holder of said deed to deliver the same to PURCHASER upon SELLER receiving payment in full of the purchase price and interest herein.

30. **INDEMNITY OF LIABILITY:** PURCHASER agrees to indemnify and save harmless SELLER against any liability, direct or indirect, arising out of PURCHASER'S use of the premises during the term of this Contract or any extension thereof, or PURCHASER'S occupancy of the premises.

31. **ESCROW:**

a. **ESCROW HOLDER:** SELLER and PURCHASER designate Allegro Escrow Services of Spokane Valley, Washington, as their Escrow Holder and have contemporaneously herewith executed Escrow Instructions in form satisfactory to Escrow Holder, which Escrow Instructions are by this reference incorporated herein as though fully set forth herein as a part of this Contract. All purchase price installments including prepayment(s) thereof shall be paid to Escrow Holder and shall be credited to the account of SELLER pursuant to the Escrow Instructions.

b. **WARRANTY DEED:** SELLER contemporaneously deposits with Escrow Holder a Statutory Warranty Fulfillment Deed ("Deed") to the property containing an accurate legal description of the property and making title to the property subject only to burdens and encumbrances hereinbefore specified. When the entire unpaid purchase price balance, interest and late charges, if any, and all other obligations of PURCHASER under this Contract have been fully and completely performed, Escrow Holder shall deliver the Deed to PURCHASER. PURCHASER has seen and reviewed the Deed deposited in escrow and approved its form and content as sufficient to convey title to the property as warranted by SELLER.

c. **CLOSURE OF ESCROW:** If SELLER gives and records a Declaration of Forfeiture forfeiting PURCHASER'S interest in this Contract and the property, then upon written demand of SELLER to Escrow Holder, all of the documents deposited with Escrow Holder, in escrow, shall be delivered to SELLER or SELLER'S designee no later than Sixty (60) days following recording of the Declaration of Forfeiture and the escrow shall be closed and Escrow Holder thereupon released of all further obligations to SELLER and PURCHASER.

32. **HAZARDOUS SUBSTANCE WARRANTY:** SELLER represents and warrants that SELLER has no knowledge or information that hazardous substances as defined in the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) or THE HAZARDOUS WASTE CLEANUP-MODEL TOXIC CONTROL ACT have at any time been stored, dumped, or deposited on the premises being sold to PURCHASER.

SELLER shall defend, indemnify and hold PURCHASER completely harmless from any breach or violation of the warranties contained in this paragraph. Indemnification includes without limitation, any and all costs or expense of any kind or nature incurred because of any investigation of the property or any clean-up, removal or restoration mandated by any federal, state or local agency or political subdivision. This indemnification shall specifically include any and all costs due to hazardous substances that flow, diffuse, migrate or percolate into, onto or under the property prior to the date of this Contract.

33. **COMPLIANCE WITH ENVIRONMENTAL LAWS:** PURCHASER shall not cause, permit or allow any hazardous substance to be brought upon, kept or used in, on or about the Property by PURCHASER, or PURCHASER'S family, agents, employees, contractors, licensees, invitees or lessees, except for such hazardous substances as may be necessary to PURCHASER'S use of the Property. Any hazardous substances which, by the foregoing provision, are permitted to be brought upon, kept or used in, on or about the Property and all containers therefore, shall be used, kept, stored and disposed of in a manner that complies in all respects with all Federal, State and local laws or regulations applicable to hazardous substances, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") 42 USC §9601 et seq., the Super Fund Amendments and Reauthorization Act of 1986, the Resource Conservation and Recovery Act ("RCRA") 42 USC §9601 et seq., the Clean Water Act, 33 USC §1317, §1321, the Clean Air Act, 42 USC §7412, the Toxic Substances Control Act, 15 USC §2606, State Environmental Policy Act ("SEPA"), including all amendments and recodifications thereof, all regulations promulgated thereunder and all future laws and regulations enacted by any governmental authority respecting hazardous substances. The term "hazardous substance(s)" as used herein means any "hazardous waste" as defined by RCRA and the Hazardous Waste Management Act, as amended from time to time and regulations promulgated thereunder; any "hazardous substance" as defined by CERCLA, the Hazardous Waste Management Act and SEPA, as amended from time to time and any regulations promulgated thereunder; any oil, petroleum products and their bi-products; and any substance or waste that is or becomes regulated by any Federal, State or local government authority.

PURCHASER shall defend, indemnify and hold SELLER completely harmless from any breach or violation of the prohibitions imposed upon PURCHASER by this paragraph. Indemnification includes, without limitation, any and all costs or expense of any kind or nature incurred because of any investigation of the Property or any clean-up, removal or restoration mandated by any Federal, State or local agency or political subdivision. This indemnification shall specifically include any and all costs due to hazardous substances that flow, diffuse, migrate or percolate into, onto or under the Property after the date of this Contract.

34. **ASSIGNMENT OF GOVERNMENT PROGRAM:** SELLER hereby conveys and assigns to PURCHASER all of SELLER'S right, title and interest in and to all government farm program payments and benefits, including but not limited to, any deficiency or set-aside program payments. Such assignment includes the right to receive all future payments respecting the property currently bid into and accepted in

such government programs and specifically includes any such payments made and remaining due and payable. PURCHASER in consideration of such assignment shall timely and fully perform all obligations arising from or associated with said programs.

35. **ASSIGNMENT OF WATER RIGHTS:** SELLER hereby conveys and assigns to PURCHASER all of SELLER'S right, title and interest in and to all water rights whether documented by permit or certificate and SELLER shall execute any further assignment documents necessary to transfer such water rights.

36. **NOTICE:** Any notices to either SELLER or PURCHASER pursuant to the terms of this Contract shall be mailed certified return receipt requested to the following addresses, which addresses may be changed from time to time by a party giving notice to all other parties in accordance with this paragraph and by email to the following parties if an email address is included:

SELLER: John H. Galley and J. Diane Galley,
Trustees of the Galley Living Trust
dated May 19, 2005
22 Tamarack Lane
Elk, Washington 99009

PURCHASER: _____

///End of Body of Document///

IN WITNESS WHEREOF, SELLER and PURCHASER have signed this Contract effective the day and year first above written.

22 Tamarack Lane
Elk, Washington 99009

GALLEY LIVING TRUST dated May 19, 2005,
Seller

By: JOHN H. GALLEY
Title: Trustee

By: J. DIANE GALLEY
Title: Trustee

Address

PURCHASER

Address

PURCHASER

STATE OF _____
County of _____

THIS IS TO CERTIFY that on this ____ day of _____, 2021, before me, the undersigned, a notary public in and for the State of _____, duly commissioned and sworn, personally appeared JOHN H. GALLEY to me known to be an individual named as Trustee (under Agreement dated May 19, 2005) and who executed the within and foregoing instrument as such Trustee on behalf of said Trust, and acknowledged to me that said individual signed the same as said individual's free and voluntary act and deed as such Trustee for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

(Print Name) _____
Notary Public in and for the State of _____,
residing at _____
My Commission Expires: _____

STATE OF _____
County of _____

THIS IS TO CERTIFY that on this ____ day of _____, 2021, before me, the undersigned, a notary public in and for the State of _____, duly commissioned and sworn, personally appeared J. DIANE GALLEY to me known to be an individual named as Trustee (under Agreement dated May 19, 2005) and who executed the within and foregoing instrument as such Trustee on behalf of said Trust, and acknowledged to me that said individual signed the same as said individual's free and voluntary act and deed as such Trustee for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

(Print Name) _____
Notary Public in and for the State of _____,
residing at _____
My Commission Expires: _____

STATE OF _____
County of _____

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged 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: _____

(Print Name) _____
Notary Public in and for the State of _____, residing at _____
My Commission Expires: _____

STATE OF _____
County of _____

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged 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: _____

(Print Name) _____
Notary Public in and for the State of _____, residing at _____
My Commission Expires: _____