

H-58472

838693

REAL ESTATE CONTRACT

This is a real estate contract dated June 10, 1976, between NAN JEAN MORRILL, a widow, hereinafter called "Seller", and PAUL N. LUVERA, JR. and CAROL ANN LUVERA, husband and wife, hereinafter called "Purchaser".

The Seller agrees to sell to the Purchaser and the Purchaser hereby agrees to purchase from the Seller, the following described real property, situate in Skagit County, Washington:

Lots 5 and 6, Block 5, "Riverside Addition to Town of Mount Vernon", according to the plat recorded in Volume 3 of Plats, page 24, records of Skagit County, Washington.

Seller also sells electric range, refrigerator and entrance hall clock now on the premises.

The following are the terms and conditions of this contract:

1. Purchase Price: The purchase price is the sum of \$72,500.00 of which the sum of \$20,000.00 has been paid.

2. Payments and Interest: The balance of the purchase price shall be paid as follows: \$500.00 per month, payable on the first day of the months of September, October, November and December, 1976. Commencing with the year 1977, payments shall be made on or before the first day of each month and shall be in the sum of \$500.00, or more at Purchaser's option, provided that so long as NAN JEAN MORRILL holds the vendor's interest in this contract no more than \$12,000.00 can be paid on the principal balance during any one (1) calendar year. Monthly payments will include interest on the unpaid balances at the rate of 8.7% per annum. Interest shall begin on the first day of August, 1976.

3. Payments by Seller and Reimbursement: In the event 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 amount so paid by the Seller, together with interest thereon at the same rate as provided in this contract, from the date of payment until repaid, shall be repayable by the purchaser on demand and secured by this contract, all without prejudice to any right the Seller may have by reason of such default.

4. Risk of Loss: Purchaser assumes all hazards of damage to or destruction of any improvements now on said real estate or hereafter placed thereon and the taking of the 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.

5. Agreement Binding on Heirs, Administrators, Successors and Assigns: This agreement shall be binding upon the heirs, administrators, successors and assigns of the parties.

6. Application of Insurance Proceeds: In case of damage or destruction from a peril insured against, the proceeds from such insurance remaining after payment of the reasonable expenses of

Official Record

VOL 226 PAGE 22
-1-

838693

BANNISTER, BRUHN & CUNINGHAM
ATTORNEYS AT LAW
415 PINE STREET
MOUNT VERNON, WASHINGTON 98273
TELEPHONE 336-2191

1 procuring the same shall be devoted to the restoration or rebuilding
2 of such improvements within a reasonable time, unless the Purchaser
3 elects that such proceeds be paid to the Seller for application
4 upon the purchase price herein.

5 7. Use and Maintenance of Premises: Purchaser covenants
6 to keep the building and other improvements on said real estate in
7 good repair and not permit waste and shall not use nor permit the
8 use of said property for any illegal purposes. Purchaser covenants
9 to pay all service, installation or construction charges for water,
10 sewer, electricity, garbage, or other utilities furnished to said
11 real estate after the Purchaser is entitled to possession.

12 8. Title Insurance: The Seller will furnish to Purchaser
13 a Purchaser's Policy of Title Insurance at this time which will be
14 the only policy of title insurance the Seller is required to furnish.
15 Such policy will insure the Purchaser to the full amount of the
16 purchase price against loss or damage by reason of defect in Seller's
17 title as of the date of closing and contain only those exceptions
18 standard to title insurance policy forms and any lien or encumbrance
19 which the Purchaser is to assume or to which this conveyance is to
20 be subject and any existing contract or contracts or mortgage or
21 other obligations which the Seller by this contract agrees to pay,
22 none of which shall be deemed defects in the Seller's title.

23 9. Fulfillment Deed: The Seller agrees, upon receiving
24 full payment of the purchase price and interest in the manner above
25 specified and when all other terms, conditions and covenants of
26 this contract have been met, to convey the property to the Pur-
27 chaser by statutory warranty deed, excepting any part thereof which
28 may hereafter be taken for public use, and free of encumbrances
29 except those which may attach after date of closing through any
30 person other than the Seller, and except such encumbrances as
31 Purchaser has assumed or to which this contract is subject as
32 stated above.

10. Seller's Remedies: Time is of the essence hereof. In
the event the purchaser shall fail to comply with or perform any
condition or agreement hereof promptly at the time and in the
manner herein required, and shall fail to correct said default
within a period of thirty (30) days after personal service or date
of mailing of notice thereof as hereinafter provided, the same
shall constitute a material breach of this agreement, and there-
upon the Seller may have either of the following optional remedies:

(a) Seller may elect to declare all of the Purchaser's
rights hereunder terminated, and upon so doing, all
payments made by the Purchaser hereunder and all
improvements placed upon the premises may be declared
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 the purchaser agrees
to immediately surrender possession of said premises.

(b) The Seller may elect to bring action or actions on
any intermediate overdue installment or on any payment
or payments made by the Seller and repayable by the
Purchaser, it being stipulated that the covenants to
pay intermediate installments or to pay items repayable
by the Purchaser are independent of the covenant to
make a deed, and that every such action is an action
arising on contract for the recovery of money only, as

VOL 226 PAGE 23

-2-

838693

Official Records

BANNISTER, BRUHN & CUNINGHAM
ATTORNEYS AT LAW
415 PINE STREET
MOUNT VERNON, WASHINGTON 98273
TELEPHONE 336-2191

1 if the promise to pay had been expressed in a different
2 instrument. The Purchaser agrees that no such action
3 shall constitute an election not to proceed otherwise
4 as to any subsequent default, and no waiver by the
5 Seller of any default on the part of the Purchaser
6 shall be construed as a waiver of any subsequent default.

7 (c) The Seller shall have the option and right to
8 accelerate the entire unpaid balance and may commence
9 action against the purchaser for said unpaid balance,
10 together with any other sums due Seller by virtue of
11 this contract, including, but not limited to, interest
12 and delinquent taxes or assessments. Upon commencement
13 of such action, the entire principal balance of the
14 purchase price shall become due and payable.

15 The failure of the Seller to bring an action against
16 the purchaser at any time upon the violation of any
17 of the terms of this contract by the Purchaser, at and
18 of that particular time, shall not be construed to be
19 a waiver of any of the rights of the Seller specified
20 herein.

21 11. Improvements: Seller understands that Purchaser will
22 use the premises as a professional office or for other purposes
23 at his option. Purchaser shall be entitled to make such changes,
24 alterations and improvements in his discretion as are necessary
25 to carry out the purchasers' intentions provided that the same do
26 not decrease the market value of the premises. This shall apply
27 to all improvements on the premises.

28 12. Signs: Purchaser shall be allowed to fully utilize the
29 premises to carry out the intention of Purchaser regarding the use
30 of the premises. In this regard Purchaser shall be entitled to
31 post such signs as he feels are necessary in connection with the
32 use of the premises.

13 13. Insurance: The purchaser agrees, until the purchase
14 price is fully paid to keep the buildings now and hereafter placed
15 on said real estate insured to the actual cash value thereof
16 against loss or damage by both fire and windstorm and for the
17 Seller's benefit, as his interest may appear, and to pay all
18 premiums therefor and to deliver copies of all policies and
19 renewals thereof to the seller.

20 14. Condemnation: In case any part of the real estate is
21 taken for public use the condemnation award remaining after payment
22 of all necessary expenses for procuring the same shall be applied
23 first to any remaining balance due on the contract the balance
24 of which shall belong to purchaser. Seller shall have the option
25 of agreeing that the proceeds due under the contract may be applied
26 to rebuilding or restoring the improvements damaged by the taking.

27 15. Taxes and Assessments: The purchaser assumes and agrees
28 to pay before delinquency all taxes and assessments that may as
29 between grantor and grantee hereafter become a lien on said real
30 estate; and if by the terms of this contract the purchaser has
31 assumed payment of any mortgage contract or other encumbrance, or
32 has assumed payment of or agreed to purchase subject to, and taxes
or assessments now a lien on said real estate, the purchaser
agrees to pay the same before delinquency.

VOL 226 PAGE 24
-3-

Official Record

838693

BANNISTER, BRUHN & CUNINGHAM
ATTORNEYS AT LAW
415 PINE STREET
MOUNT VERNON, WASHINGTON 98273
TELEPHONE 336-2191

Received for record at July 8 1976 12:16 p.m.
at request of Pioneer Natl Title Co.
Luella Henry, Auditor Skagit Co., Washington

16. Inspection: The purchaser agrees that full inspection of said real estate has been made and that neither the seller nor his assigns shall be held to any covenant respecting the condition of any improvements thereon nor shall the 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.

17. Possession and Pro-Rating: Purchaser shall be entitled to possession August 1, 1976 and all items to be pro-rated shall be pro-rated as of date of possession.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first written above.

2553
SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax
PAID

JUL 8 - 1976

Amount Paid \$ 725.00
Mel Halgren, Co. Treas.
Deputy

Nan Jean Morrill
Life Tenant upw Robert V. Morrill
NAN JEAN MORRILL
"Seller"

Paul N. Luvera, Jr.
PAUL N. LUVERA, JR.

Carol Ann Luvera
CAROL ANN LUVERA
"Purchasers"

STATE OF WASHINGTON)
COUNTY OF SKAGIT) ss.

On this day personally appeared before me NAN JEAN MORRILL, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 6th day of July, 1976.

Bonnie Glaeser
Notary Public in and for the State of Washington, residing at Mount Vernon.

STATE OF WASHINGTON)
COUNTY OF SKAGIT) ss.

On this day personally appeared before me PAUL N. LUVERA, JR. and CAROL ANN LUVERA, husband and wife, 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 6th day of July, 1976.

Bonnie Glaeser
Notary Public in and for the State of Washington, residing at Mount Vernon.

Official Records
VOL 226 PAGE 25
838693
BANNISTER, BRUHN & CUNINGHAM
ATTORNEYS AT LAW
415 PINE STREET
MOUNT VERNON, WASHINGTON 98273
TELEPHONE 336-2191

