

Form 14157

886405

REAL ESTATE CONTRACT

August 16, 1978

SEATTLE-FIRST NATIONAL BANK, a National Banking Association, Personal Representative of the Estate of Clark O. Jennings, Yakima County Probate No. 78-4-00141-2, with full power of sale and conveyance, and

IRENE A. JENNINGS, a widow agrees to sell to Purchaser, RICHARD J. WILLSEY, a married man, but as his separate estate,

Purchaser agrees to buy from Seller, the following property in Skagit County, Washington:

See Exhibit "A" attached hereto and incorporated herein by this reference.

2407
SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax
PAID

AUG 28 1978

Amount Paid \$ 120.00
(Ruth Wylie, Co. Treas.
By *[Signature]* Deputy

2. PURCHASE PRICE - The purchase price is \$ 12,000.00, of which \$ 2,000.00 has been paid, receipt being acknowledged. Purchaser agrees to pay the balance of the purchase price together with interest on deferred balances at the rate of 9% per annum from date hereof as follows:

The sum of \$1,558.20, or more, at purchaser's option, including interest, on or before the 5th day of February 1, 1979, and a like sum on or before the 5th day of each succeeding February until principal and interest are paid in full. Payments shall be applied first to interest and then to principal. P

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All payments shall be made at the place designated by the Seller.

3. POSSESSION - Purchaser shall be entitled to possession of the property on date hereof

4. PERSONAL PROPERTY - Title to personal property described above shall remain in seller until purchaser has fully performed this contract. Purchaser's rights to the property shall be subject to all applicable terms and conditions of this contract. Personal property shall be maintained in good condition and not disposed of by purchaser without written consent of seller and, excepting vehicles or equipment the intended use of which requires temporary removal, shall be kept on the property herein sold.

5. ASSESSMENTS AND TAXES - Purchaser shall pay before delinquency all taxes, assessments, water rents or water assessments, utility charges, and operation or construction charges not now delinquent, and all levied or assessed against the property and hereafter falling due; except that real estate taxes for year 1978 and personal property taxes for ~~1978~~ shall be prorated. In the event any taxes, assessments, rents, or charges to be paid by purchaser are paid by seller, purchaser shall promptly reimburse seller. Upon failure of purchaser to pay any taxes, assessments, rents or charges to be paid by purchaser, seller may, at his option, declare a forfeiture of this contract or pay and discharge any such tax, assessment, rent or charge and any amount so paid shall be added to and be secured in the same manner as the unpaid purchase price, bear interest at the rate of 10% per annum, and be due immediately.

6. IMPROVEMENTS - All improvements now or hereafter made to or placed on the property shall become a part thereof and shall not be removed.

7. LIENS, CHARGES AND ENCUMBRANCES - Purchaser shall pay, before delinquency of any debts secured thereby, all liens, charges or encumbrances hereafter lawfully imposed on the property, assumed by purchaser in this contract or subject to which this purchase and sale is made; and shall not allow any part of the property to become subject to liens, charges or encumbrances having priority over the rights of seller in the property. Notwithstanding anything to the contrary provided above in this paragraph seven, purchaser shall not be responsible for any liens or encumbrances (or payment of the obligations secured thereby) imposed upon said property subsequent to the date of this contract by or through seller unless such liens, encumbrances or obligations are expressly assumed by purchaser.

8. EXISTING MORTGAGE OR SECURED OBLIGATION - Unless it is otherwise provided herein, in the event that there is now a mortgage or other secured obligation upon the property seller shall save purchaser harmless with regard thereto and timely pay all installments falling due. In the event that seller fails to make any such payment when due, then purchaser may make payment and receive a credit for the amount thereof against payments next falling due under this contract.

9. CONDITION OF PREMISES, UPKEEP AND CROPS - Purchaser shall maintain the property and all improvements now or later placed on the property in a good state of repair, shall not make any material alterations without the written consent of seller and shall not allow or commit any waste. Purchaser shall farm all farm and orchard land in a good husbandlike manner, according to the customary standards of such farming in the area in which the property is situated, without unnecessary interruptions or delays and shall furnish all labor, machinery, supplies, equipment and everything else necessary to such farming operations. Breach of this provision shall entitle seller, upon the giving of three (3) days written 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, and which seller have the right to collect, or at seller's option shall be considered an obligation under the contract, shall be added to the principal of the contract, and shall bear interest at the contract rate from date that the indebtedness was incurred. The methods of giving notice as herein provided shall be as is set forth in Paragraph 17(1) of this contract, with the privilege of purchaser to correct any deficiencies during the three day period.

10. USE OF PROPERTY - Purchaser shall not make nor allow any unlawful use of the property.

11. INSURANCE - Purchaser shall insure with companies satisfactory to seller the buildings now or hereafter placed on the property and any personal property conditionally sold in the sum of not less than its full insurable value, with loss thereunder payable first to any mortgagee who is such at the time of the execution hereof, then to seller, then to purchaser, as their respective interests may appear. The policy shall be held by seller or mortgagee.

In the event of destruction of or damage to any of said buildings or personal property and the collection of insurance during the life of this contract, the money received on said insurance may, at the option of purchaser, be used in the restoration of said improvements; provided, that purchaser is not at the time in default under the provisions of this contract, and subject to the terms of any mortgage on the property. If purchaser fails to procure insurance, seller is authorized to do so, and the cost may be added to the balance due hereunder and shall bear interest at 10% per annum, and shall become due immediately, or seller may, at his option, forfeit this contract for the failure of purchaser to procure insurance.

12. CONDEMNATION - If the property or any part shall be taken and condemned, such taking shall not be a ground for rescission of this contract. The award made for the taking shall be deemed to be the property of purchaser, but shall be paid to seller to apply upon the purchase price, not exceeding any amounts then unpaid hereunder.

13. ASSIGNMENT OR TRANSFER - The purchaser shall not assign this contract without the written consent of the seller. The seller shall not unreasonably withhold such consent; and, once given, such consent shall not waive the requirements of this paragraph as to any subsequent assignment of this contract.

14. DESTRUCTION OF PROPERTY - In the event of damage to or destruction of any buildings or improvements upon the property, such damage as between the parties shall be the loss of purchaser and shall not be a ground for rescission of this contract or abatement of purchase price.

15. DEED - When purchaser has fully performed this contract seller shall execute and deliver to purchaser a ~~standard~~ ^{special} warranty deed conveying the property free and clear of all encumbrances except any encumbrances agreed to by purchaser. Warranties of seller are limited to the date of this contract except for affirmative acts of seller thereafter.

16. TITLE - Seller shall obtain a standard purchaser's form policy of title insurance showing insurable title in seller as of the date of this contract, excepting matters herein expressly agreed to by purchaser or herein expressly provided to be satisfied hereafter by seller, and insuring purchaser for the amount of the purchase price of the real property to be sold.

17. REMEDIES - Time is of the essence of this contract, and in the event that purchaser fails to make any payment or perform any covenant or condition under this contract, seller shall have the right, at his option, to:

(1) Serve notice of forfeiture by delivering said notice to purchaser or by mailing it by certified or registered mail to his last known address, to the address below given, or to the address of said property. The notice shall specify the matters wherein purchaser is in default. In the further event purchaser shall fail to cure the default in performance or make payment of any sums due or of seller's attorney fee for services rendered incident to any default and seller's expenses of serving the same within 30 days from delivery or mailing of the notice, then, without further notice to purchaser or declaration of forfeiture, the notice shall become absolute and this contract shall become null and void, and purchaser shall immediately and peacefully surrender possession of the property and all rights of purchaser under this contract and to the property shall immediately cease and title to the property, together with all improvements (whether or not made by purchaser) and all growing crops shall be vested in seller without any right of purchaser to reclamation or compensation for money paid, improvements or growing crops; and all money previously paid under this contract shall be forfeited without process of law and shall be retained by and belong to seller as the reasonable rental for said property from this date to the date of forfeiture and as liquidated damages; or

(2) Declare all amounts unpaid under this contract due and institute suit to collect such amounts together with reasonable attorney fees; provided that if within thirty days after the commencement of the action purchaser performs all alleged breaches of covenant or conditions of this contract and has performed all covenants subsequent to the commencement of the action together with payment to seller of seller's actual attorney fees and taxable costs, this contract shall be reinstated.

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EXHIBIT "A"

PARCEL A:

An undivided one-half interest in the following described real property: Leasehold estate in Tract 119, Pier C, as shown on survey of Anchor Cove Marina, filed under Auditor's File No. 825123, in Volume 11 of Plats, Pages 29 and 30 and as identified in Declaration of Anchor Cove Marina, filed under Auditor's File No. 825125, records of Skagit County, Washington.

PARCEL B:

An undivided one-half interest in the following described real property: The land lying within Anchor Cove Marina, as shown on Survey of Anchor Cove Marina, filed under Auditor's File No. 825123, in Volume 11 of Plats, Page 29 and 30, and as identified in Declaration of Anchor Cove Marina, filed under Auditor's File No. 825125, except those portions lying within Tracts 1A and 1 through 26 inclusive, Pier A; Tracts 1B and 27 through 75, inclusive, Pier B; Tracts 76 through 125, inclusive, Pier C, and Tracts 126 through 167, inclusive, Pier D, records of Skagit County, Washington.

TOGETHER WITH the appurtenances belonging thereto.

SUBJECT TO the terms, covenants and conditions contained within that certain Lease recorded April 3, 1974, under Auditor's File No. 798754, affecting that portion of said premises lying within Parcel F as shown on the face of said survey.

SUBJECT TO the terms, covenants and conditions contained in that certain Lease recorded May 31, 1974, under Auditor's File No. 801521, records of Skagit County, Washington, affecting that portion of said premises lying within Parcel C as shown on the face of said survey, said lease being a re-record of that certain Lease recorded April 3, 1974, under Auditor's File No. 798756, records of Skagit County, Washington.

SUBJECT TO the terms, covenants and conditions contained within that certain Lease recorded April 3, 1974, under Auditor's File No. 798757, records of Skagit County, Washington, affecting that portion of said premises lying within Parcels D and E as shown on the face of said survey.

SUBJECT TO rights, if any, of the Great Northern Railway Company to operate and maintain spur tracks over and across said premises, affecting that portion of said premises lying within Parcels A, B, C, D, and E as shown on the face of said survey.

SUBJECT TO an easement affecting the portion of said premises lying within the vacated 5th Street adjacent to Parcel C as shown on the face of said survey, for right of way for the construction, maintenance and operation of a railway tract or tracks over and across a strip of land 16 feet wide in favor of the Great Northern Railway Company, a Minnesota Corporation, as recorded under Auditor's File No. 395207, records of Skagit County, Washington.

SUBJECT TO easements for submarine cable in favor of Puget Sound Power and Light Company as contained in instrument recorded under Auditor's File Nos. 25646 and 29205, records of Skagit County, Washington, affecting that portion of said premises lying within Parcel F as shown on the face of said survey.

SUBJECT TO rights of City of Anacortes to construct, maintain and operate sewers in vacated streets, as reserved in ordinances of vacation.

-1- EXHIBIT "A"

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LAW OFFICES OF
PETERS, SCHMALZ, LEADON & FOWLER, P.S.
P. O. BOX 156
SELAH, WASHINGTON 98942
697-7201

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SUBJECT TO any lien or liens that may arise or be created in consequence of or pursuant to an act of the legislature of the State of Washington entitled "An Act Prescribing the Ways in Which Waterways for the Uses of Navigation May be Excavated by Private Contract, Providing for Liens Upon Lands Belonging to the State, Granting Rights of Way Across Land Belonging to the State", approved March 9, 1893, affecting that portion of said premises lying within Parcels A, B, D, and F, as shown on the face of said suvey.

SUBJECT TO said land or a portion thereof which may lie beneath navigable waters. Any portion of said land which lies or which may in the future lie beneath navigable waters is subject to rights of navigation, together with incidental rights of fishing, boating, swimming, water-skiing and other related recreational purposes generally regarded as corollary to the right of navigation and the use of public waters, affecting that portion of said premises lying within Parcels A, B, D and F, as shown on the face of said survey.

SUBJECT TO the covenants, conditions, restrictions, easements and assessments contained in Declaration of of Protective Restrictions, easement and asesments executed by P.I.R. Corporation as recorded under Auditor's File No. 825125, records of Skagit County, Washington, and any liens which may heretofore attach to the above-mentioned covenants, conditions and restrictions.

SUBJECT TO rights of ingress and egress over portions of the plat designated as common area or limited common and the right to use said areas for all proper purposes in favor of the other holders of undivided interests or occupants of the numbered lots.

-2- EXHIBIT "A"

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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.

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.

18. ATTORNEYS FEES AND VENUE - In the event of any lawsuit between the parties to this contract to settle issues arising hereunder, the prevailing party shall recover judgment against the other party for a reasonable attorney's fee. At seller's option, venue shall lie in the County of Yakima.

19. BINDING EFFECT - This agreement shall be binding upon and shall inure to the benefit of the legal representatives and proper assigns and successors of the parties.

SEATTLE-FIRST NATIONAL BANK, a
National Banking Association

By George A. Cashman

By William M. Eckerich v.p.

Irene A. Jennings Seller

Richard J. Willsey

Purchaser

Address of Purchaser

STATE OF WASHINGTON } ss.
County of Yakima

PERSONAL ACKNOWLEDGMENT

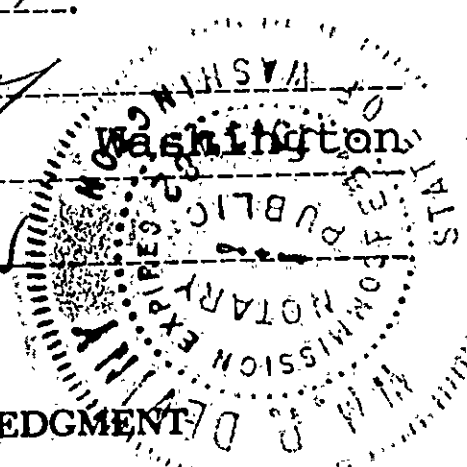
This is to certify that on this day personally appeared before me IRENE A. JENNINGS, a widow

to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that s/he 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 16 day of August, 19 78

Notary Public in and for the State of

residing at Essence



STATE OF WASHINGTON } ss.
County of Yakima

CORPORATION ACKNOWLEDGMENT

This is to certify that on this 15 day of August, 19 78, personally appeared before me

George A. Cashman and William M. Eckerich

to me known to be the Sr. Trust Officer and Vice President respectively of SEATTLE-FIRST NATIONAL BANK, a National Banking Association

the corporation that executed the within instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned and on oath stated that they were authorized to execute the same and that the seal affixed is the corporate seal of the said corporation.

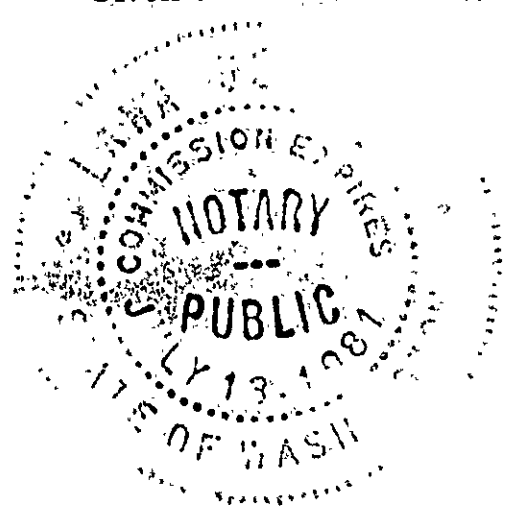
Given under my hand and official seal on the date above stated.

Notary Public in and for the State of Washington

residing at Yakima

My commission expires on the 13 day of

July, 19 81



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Received for record at Aug 28 1978 12:12 P.M.
at request of Pioneer Salt Title Ins. Co.
Luella Henry, Auditor Skagit Co., Washington

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