

1
2
900

8910240035
REAL ESTATE AGREEMENT

Doug Owens
P.O. Box 508
Anacortes, WA
98221

IT IS HEREBY MUTUALLY AGREED by and between JERRY C. McCORMACK and MARY L. McCORMACK, husband and wife, of 4300 Blue Heron Circle, Apt #5, Anacortes, Skagit County, Washington, parties of the first part and hereinafter referred to as Vendors, and EARL ZUMWALT and COLLEEN R. ZUMWALT, husband and wife, parties of the second part and hereinafter referred to as Vendees, WITNESSETH:

The Vendors hereby agree to sell to the Vendees, their heirs or assigns, and the Vendees agree to purchase from the Vendors, their heirs, executors, administrators or assigns, the following described real property, situated in the County of Skagit, State of Washington, to-wit:

Lots 8 and 9, Block 10, "FIRST ADDITION TO THE CITY OF ANACORTES, SKAGIT COUNTY, WASHINGTON," as per plat recorded in Volume 1 of Plats, page 24, records of Skagit County, Washington;

together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any wise appertaining.

The following are the terms and conditions of this contract:

1. Terms of Sale: The agreed price which the Vendors agree to accept and which the Vendees agree to pay for said real property is the sum of TWO HUNDRED THOUSAND DOLLARS (\$200,000.00), of which the sum of TWENTY-SIX THOUSAND EIGHT HUNDRED DOLLARS (\$26,800.00) has been paid this date, receipt of which is hereby acknowledged, the balance of purchase price, to-wit, the sum of ONE HUNDRED SEVENTY-THREE THOUSAND TWO HUNDRED DOLLARS (\$173,200.00), to be paid as follows: ONE THOUSAND EIGHT HUNDRED EIGHT AND SIXTY-ONE ONE HUNDREDTH DOLLARS (\$1,808.60) or more on or before the 8th day of November, 1989, and (\$1,808.60) or more on or before the 8th day of each succeeding month thereafter, until the total balance owing hereunder, together with interest, has been paid. All unpaid portions of purchase price shall bear interest from the 8th day of October, 1989, until paid at the rate of nine and one-half percent (9-1/2%) per annum, said interest to be computed and paid monthly, and all payments hereafter made as herein provided shall be applied first to the payment of interest owing to the date of such payment and the balance applied to principal. The Vendees are hereby given the privilege of paying in excess of the installments herein provided for, and may pay the whole balance owing at any time without penalty; provided, that such additional sums paid (short of payment in full) shall not relieve the Vendees from making regular monthly payments as in this contract provided.

2. Title Insurance: The Vendors shall provide the Vendees with purchaser's policy of title insurance as soon as the same is procurable from the title insurance company, said policy to show the real property herein described and title thereto in the Vendors to be free and clear of all liens and encumbrances of record.

3. Responsibility for Taxes and Assessments: The Vendees hereby agree to pay before delinquency all taxes, assessments and other claims which may hereafter become a lien upon said property; the 1989 taxes shall be pro-rated as of the date of closing of this transaction, which shall be the 8th day of October 1989.

5171
SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax
PAID

Real Estate Agreement

-1-

VOL 851 PAGE 163

OCT 24 1989

8910240035

Amount Paid \$ 3,060.00
By: *kh* Skagit County Treasurer Deputy

4. Risk of Loss: It is understood and agreed that any loss, damage or destruction to the premises, or the buildings and improvements situated thereon, or the taking of the same for public use, shall not in any way or manner relieve the Vendees from the full payment of the purchase price herein to be paid by them, and in the event any such loss, damage or injury shall occur, the same shall be that of the Vendees, and they shall not, by reason thereof, have the right to rescind this contract.

5. Representation of Vendees: The Vendees hereby acknowledge that they have been given full opportunity to inspect the premises, and that, in making this purchase, they are relying solely upon their own examination and inspection thereof, and not upon any representations or warranties of the Vendors or their agents. The Vendees further agree to take good care of said property and premises while in their possession pursuant to the terms of this contract, and agree to keep the improvements on said property in good condition and repair at their own expense, and shall not permit or commit any waste thereof, nor allow any liens or encumbrances to be placed against said property during the running of this agreement.

6. Insurance: The Vendees hereby agree to keep the improvements on said property insured against loss by fire in an insurance company or companies satisfactory to the Vendors, for the full insurable value thereof, with loss payable to the Vendors herein as their interests appear, said insurance policy or policies and all renewals thereof, together with proof of payment of premium thereon, to be delivered to the possession of the Vendors.

7. Reimbursement for Advances by Vendors: It is agreed that in the event the Vendees fail or neglect to pay taxes, provide insurance, or pay any claim which might be a lien on said property or premises and which the Vendees are obligated to pay, that then and in such case, the Vendors, at their election, may pay or procure the same, and such sums so paid out by the Vendors shall be due and payable on demand, together with interest from the date of such advancement at the rate of 12% per annum, all without prejudice to any other right the Vendors might have by reason of such default.

8. Fulfillment Deed: The Vendors covenant and agree to convey said property to the Vendees by good and sufficient warranty deed when the total balance owing hereunder, together with interest, has been paid in full and this contract fully performed by the Vendees, free and clear of all liens and encumbrances, excepting, however, such warranty shall not extend to or cover any taxes, assessments or other liens which, by the terms of this contract, the Vendees are obligated to pay.

9. Possession: The Vendees shall be granted possession of the described premises on or before October 1, 1989, and shall be entitled to continue in possession thereof so long as they shall make the payments as the same are required hereunder and otherwise fully comply with the terms of this contract.

10. Forfeiture: Time is of the essence of this contract, and if the Vendees shall fail, refuse or neglect to pay either or any of the installments or interest or any other payment due, or shall fail to keep up and/or perform any of the covenants and agreements herein contained on the part of the Vendees to be performed, then the Vendors shall have the right and election to declare this contract canceled and terminated; and if the Vendees shall fail to make good such default within thirty (30) days after the Vendors shall have served a written notice of declaration of forfeiture by delivering said notice to the Vendees or mailing same by registered mail to said Vendees at their last known address, then and in that event all of the rights of the

Vendees in and to the property described herein and all rights under this contract shall immediately and utterly cease and terminate, and the property described herein shall revert to and revest in the Vendors without further action on the part of the Vendors and without any right of the Vendees to reclamation or compensation for money paid or for improvements made on said premises, as fully, perfectly and absolutely as if this agreement had never been made and all money theretofore paid to the Vendors under this contract shall thereupon be forfeited without process of law, and shall be retained by and belong to the Vendors as the accrued and reasonable rent of said premises from this date to the time of such forfeiture and as the liquidated damages to the Vendors for the Vendees' failure to complete this contract. Upon Vendors' election to bring a suit to enforce any covenant of this contract, including suit to collect any payment required hereunder, the Vendees agree 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 judgment or decree entered in such suit. If the Vendors shall bring suit to procure an adjudication of the termination of the Vendees' rights hereunder, and judgment is so entered the Vendees agree to pay a reasonable sum as attorney's fees and all 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.

11. Contract Binding on Heirs: The provisions of this agreement shall inure to and be binding upon the parties hereto, their heirs, executors, administrators, and assigns.


12. Assignment: It is a condition hereof that the Vendees shall not sell or assign this contract, or any interest therein, without first obtaining the written consent of the Vendors so to do; provided, however, such consent shall not be unreasonably withheld as to any financially responsible assignee.

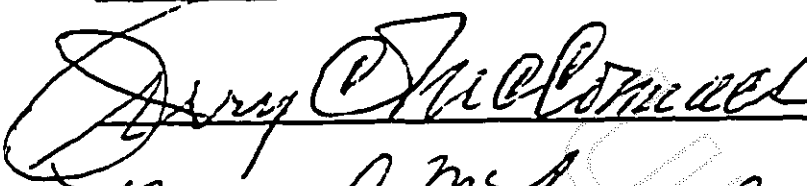


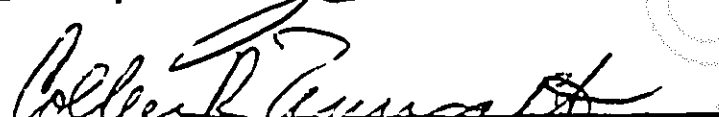
13. Waiver: Acceptance by the Vendors of any installment after it has become due and payable, or waiver of any other condition herein at any time, shall not be deemed to affect or alter the obligations of the Vendees or the rights of the Vendors with respect to any subsequent payment or default hereunder.

WITNESS our hands and seals this 7th day of October 1989.

Skagit County, State Of WA

On the 7th Day of October, 1989
Jerry McCormack, Mary L. McCormack,
Earl Zumwalt, and Colleen R. Zumwalt
appeared before me and stated that
they signed this document of thier
own free will.


Daniel P. Strickland, Notary
Residing at Mount Vernon, Expiry 6-1-92

 (SEAL)
 (SEAL)
VENDORS
 (SEAL)
 (SEAL)
VENDEES

Real Estate Agreement

-3-

8910240035

VOL 851 PAGE 165

89 OCT 24 P1:35
JERRY MCCORMACK
KATHLEEN MCCORMACK
JERRY MCCORMACK
KATHLEEN MCCORMACK
REQUESTED
FILED