

FIRST AMERICAN TITLE INSURANCE CO.
PO Box 307
Bellingham, WA. 98227
ATTN: Judith Visser

0028
SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax

JAN 3, 1991

Amount Paid \$ 1,438.20
By Skagit Co. Treasurer
Deputy

9101030048

91 JAN 1-3 P3:56
REAL ESTATE CONTRACT

RECORDED
REQUEST OF

DATED: Dec 13, 1990

1. Seller. ALICE H. HART, individually and as Personal Representative of the Estate of Paul R. Hart, agrees to sell to Purchaser, GEORGE C. THELEN and LINDA G. HART, husband and wife, and Purchaser agrees to buy from Seller, the following property in Skagit County, Washington:

Lot 1, Short Plat No. 42-88, approved October 31, 1988 and recorded November 2, 1988 in Book 8 of Short Plats, page 81, records of Skagit County, Washington, under Auditor's File No. 8811020008, being a portion of Tract B, Short Plat No. 67-78, which is a portion of the North 1/2 of the Northwest 1/4 of Section 27, Township 36 North, Range 3 East, W.M.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under and upon the certain existing driveway as shown upon the face of said Short Plat No. 67-78 and 42-88, as granted in instrument recorded September 5, 1978 under Auditor's File No. 886869, and located within the Southeast 1/4 of the Northeast 1/4 of said Section 27.

ALSO TOGETHER WITH an easement for ingress, egress and utilities over, under and across the South 60 feet of that portion of Tract 2 of said Short Plat 42-88, lying Westerly of Harrison Creek.

2. Purchase Price. The purchase price is Ninety-four Thousand and no/100 Dollars, (\$94,000.00), of which ~~Forty-five~~ ^{Forty} Thousand and no/100 Dollars (\$45,000.00) 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 nine percent (9%) per annum from December 15, 1990, as follows:

Monthly payments of Four Hundred and no/100 Dollars (\$400.00), including interest, with the first payment due January 15, 1991, and continuing the 15th of each month thereafter until paid in full.

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

3. Possession. Purchaser shall be entitled to possession of the property on closing.

4. Personal Property. Title to personal property described above shall remain in Seller until Purchaser has fully performed this contract, and Purchaser hereby grants to Seller a security interest in all of said property, all insurance and other proceeds relating thereto and all property subsequently acquired by Purchaser in substitution thereof as security for the performance of Purchaser's obligations herein. Purchaser agrees to execute and deliver to Seller such further documents, UCC Financing Statements and Statements of Continuation which Seller may request to further evidence or perfect Seller's security interests in said property. 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. All personal property shall remain on the real property described above, provided temporary removal shall be permitted for making of repairs and/or where the intended use of the property, such as vehicles, necessitates temporary removal.

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 1990 and personal property taxes levied in 1989 and payable in 1990 shall be paid by Seller. 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 1.5% per month, 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 a 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 7, 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 otherwise provided herein, if there is a mortgage or other secured obligation on the property, Seller shall keep the same current at all times, satisfy the same of record upon or prior to satisfaction of this contract, and indemnify, defend and hold Purchaser harmless with regard thereto. If Seller fails to make any payment thereunder, Purchaser may do so and, at Purchaser's election (a) receive credit therefor against the next due payments hereon, or (b) demand reimbursement from Seller, together with interest thereon at 1.5% per month, and institute suit to collect the same.

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

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REAL ESTATE CONTRACT - 1

LAMB LAW OFFICE
311 N. 3RD ST., P.O. BOX 4
YAKIMA, WASHINGTON 98907
(509) 248-0706

M-4224
FIRST AMERICAN TITLE CO.
ACCOMMODATION RECORDING ONLY

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 has 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 in the same manner as provided for in RCW 61.30.050(2)(b) and (3).

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 all personal property included in this contract 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 1.5% per month, and shall become due immediately, or Seller may, at Seller's 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 statutory 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. **Remedies.** Time is of the essence of this contract. If the Purchaser fails to make any payment or perform any obligation hereunder, Seller shall be entitled to exercise all rights and remedies as allowed by law or equity, including the right to elect one or more of the following remedies:

(1) To forfeit this contract under RCW 61.30, in which event, without limiting any remedies of Seller as provided by the said statute, all right, title and interest of Purchaser and parties claiming an interest in the real and/or personal property subject to this contract shall be cancelled and terminated; all prior payments shall be retained by the payee thereof; all improvements and unharvested crops shall be forfeited; and Seller shall be entitled to possession of the real and/or personal property, which right may be enforced under the provisions of RCW 59.12.

(2) To declare all amounts payable under this contract immediately due and payable and institute suit to collect such amounts, together with reasonable attorneys' fees; provided, if within thirty (30) days after commencement of such action, Purchaser cures the default(s) and pays to Seller, Seller's actual attorneys' fees incurred and other taxable costs of suit, this contract shall be reinstated.

(3) To commence an action for the collection of past due payments or obligations arising prior to the date of judgment.

(4) To commence an action for specific enforcement of Purchaser's obligations under this contract (including redress by either a mandatory or prohibitive injunction).

(5) If Purchaser is in default under this contract and abandons the real and personal property, if any, subject hereto, pending the exercise of other rights or remedies as provided for herein, Seller may take immediate possession of the real and/or personal property for the purposes of preserving or otherwise protecting the property from loss, damage or waste.

17. **Nonwaiver.** Failure of Seller to insist upon strict performance of Purchaser's obligations hereunder (e.g., accepting late or partial payments) shall not be construed as a waiver by Seller of strict performance thereafter of all of Purchaser's obligations hereunder and shall not prejudice Seller's remedies as provided herein or by law or equity.

18. **Venue.** If either party commences an action to enforce their rights under this contract, venue of such action, at the option of Seller, shall lie in Yakima County, Washington.

19. **Attorneys' Fees - Costs.** In the event of a lawsuit between the parties to this contract, the prevailing party shall be entitled to recover judgment against the other party for reasonable attorneys' fees and costs (including title and lien searches) incurred either at trial or on appeal.

If either party exercises any nonjudicial right or remedy to enforce such party's rights hereunder, it

shall be a condition for the cure of the default that the defaulting party pay the non-defaulting party's reasonable attorneys' fees incurred and all reasonable costs, including costs of service of notices and title and lien searches. Failure to pay such costs and reasonable attorneys' fees shall constitute an event of default under the contract.

20. **Purchaser's Remedies.** If Seller defaults with respect to Seller's obligations under this contract, and if such default continues for fifteen (15) days after Purchaser gives Seller written notice specifying the nature of the default and actions necessary to cure the default, Purchaser shall have the right to specifically enforce this contract, institute suit for damages caused by the default or pursue any other remedy allowed by law or equity.

21. **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.

"SELLER"

"PURCHASER"

Alice H. Hart
ALICE H. HART, Individually

George C. Thelen
GEORGE C. THELEN

Alice H. Hart
ALICE H. HART, Personal Representative
of the Estate of Paul R. Hart

Linda G. Hart
LINDA G. HART

1504 Stein Road
Yakima, WA 98908

STATE OF WASHINGTON)
) ss.
COUNTY OF YAKIMA)

I certify that I know or have satisfactory evidence that ALICE H. HART signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: DECEMBER 13, 1990.

Brenda D. Fowler
Signature of Notary Public
My commission expires 5-18-93

STATE OF WASHINGTON)
) ss.
COUNTY OF YAKIMA)

I certify that I know or have satisfactory evidence that ALICE H. HART signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Personal Representative of the Estate of Paul R. Hart to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: DECEMBER 13, 1990.

Brenda D. Fowler
Signature of Notary Public
My commission expires 5-18-93

STATE OF WASHINGTON)
) ss.
COUNTY OF Whatcom)

I certify that I know or have satisfactory evidence that GEORGE C. THELEN and LINDA G. HART signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: Dec 27, 1990.

Judith B. Viner
Signature of Notary Public
My commission expires 3/31/91

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