

REAL ESTATE CONTRACT

1,778.00
FORM 1964 (3-84)

9106140041

THIS CONTRACT, made and entered into this 10th day of March, 1991

between Jennifer Spaeth Cox

hereinafter called the "seller," and

Heidi Spaeth Dillon

hereinafter called the "purchaser,"

Barbara H. Spaeth

WITNESSETH: That the seller agrees to sell to the purchaser and the purchaser agrees to purchase from the seller the following described real estate, with the appurtenances, in Skagit County, State of Washington:

An undivided 1/24th interest in the real estate described in the attached.

2435
SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax

JUN 13 1991 23.76

Amount Paid \$ 32.84
Skagit Co. Treasurer
By Deputy

SEAL OF THE COUNTY OF SKAGIT WASHINGTON
JUN 13 1991
\$ 1778 Dollars of which
\$ 240.81 Dollars have

The terms and conditions of this contract are as follows: The purchase price is

been paid, the receipt whereof is hereby acknowledged, and the balance of said purchase price shall be paid as follows:

with interest on the declining unpaid balance at 9 1/2 per cent per annum in payments of \$64.77 every two months, beginning on the 1st day of May, 1991, and on the first days of the months of July, September, November, January, and March, until the entire balance of the price with interest has been paid, PROVIDED, that the entire balance owing may be paid in full at no penalty to the purchaser.

All payments to be made hereunder shall be made at P. O. Box 8652, Stanford, CA 94309 or at such other place as the seller may direct in writing.

As referred to in this contract, "date of closing" shall be March 10, 1991

(1) The purchaser assumes and agrees to pay before delinquency all taxes and assessments that may as between grantor and grantee hereafter become a lien on said real estate; and if by the terms of this contract the purchaser has assumed payment of any mortgage, contract or other encumbrance, or has assumed payment of or agreed to purchase subject to, any taxes or assessments now a lien on said real estate, the purchaser agrees to pay the same before delinquency.

(2) The purchaser agrees, until the purchase price is fully paid, to keep the buildings now and hereafter placed on said real estate insured to the actual cash value thereof against loss or damage by both fire and windstorm in a company acceptable to the seller and for the seller's benefit, as his interest may appear, and to pay all premiums therefor and to deliver all policies and renewals thereof to the seller.

(3) 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, 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.

(4) The purchaser assumes all hazards of damage to or destruction of any improvements now on said real estate or hereafter placed thereon, and of the taking of 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. In case any part of said real estate is taken for public use, the portion of the condemnation award remaining after payment of reasonable expenses of procuring the same shall be paid to the seller and applied as payment on the purchase price herein unless the seller elects to allow the purchaser to apply all or a portion of such condemnation award to the rebuilding or restoration of any improvements damaged by such taking. In case of damage or destruction from a peril insured against, the proceeds of such insurance remaining after payment of the reasonable expense of procuring the same shall be devoted to the restoration or rebuilding of such improvements within a reasonable time, unless purchaser elects that said proceeds shall be paid to the seller for application on the purchase price herein.

(5) The seller has delivered, or agrees to deliver, to the purchaser a copy of the title insurance policy in standard form, or a copy of the title insurance policy in standard form, which shall insure the purchaser to the full amount of said purchase price against loss or damage by reason of defect in title, title to said real estate as of the date of closing and containing no exceptions other than the following:
a. Printed exceptions appearing in the policy form.
b. Any existing contract or contracts under which either the purchaser or seller has any obligation or other interest in the real estate, which contract or contracts shall be deemed to be in effect as of the date of closing.

(6) If seller's title to said real estate is subject to an existing contract or contracts under which seller is purchasing said real estate, or any mortgage or other obligation, which seller is to pay, seller agrees to make such payments in accordance with the terms thereof, and upon default, the purchaser shall have the right to make any payments necessary to remove the default, and any payments so made shall be applied to the payments next falling due the seller under this contract.

(7) The seller agrees, upon receiving full payment of the purchase price and interest in the manner above specified, to execute and deliver to purchaser a statutory warranty fulfillment deed to said real estate, excepting any part thereof hereafter taken for public use, free of encumbrances except any that may attach after date of closing through any person other than the seller, and subject to the following:

No conditions.

(8) Unless a different date is provided for herein, the purchaser shall be entitled to possession of said real estate on date of closing and to retain possession so long as purchaser is not in default hereunder. The purchaser covenants to keep the buildings and other improvements on said real estate in good repair and not to permit waste and not to use, or permit the use of, the real estate for any illegal purpose. The purchaser covenants to pay all service, installation or construction charges for water, sewer, electricity, garbage or other utility services furnished to said real estate after the date purchaser is entitled to possession.

(9) In case 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 amounts so paid by the seller, together with interest at the rate of 10% per annum thereon from date of payment until repaid, shall be repayable by purchaser on seller's demand, all without prejudice to any other right the seller might have by reason of such default.

(10) Time is of the essence of this contract, and it is agreed that in case the purchaser shall fail to comply with or perform any condition or agreement hereof or to make any payment required hereunder promptly at the time and in the manner herein required, the seller may elect to declare all the purchaser's rights hereunder terminated, and upon his doing so, all payments made by the purchaser hereunder and all improvements placed upon the real estate shall be forfeited to the seller as liquidated damages, and the seller shall have right to re-enter and take possession of the real estate; and no waiver by the seller of any default on the part of the purchaser shall be construed as a waiver of any subsequent default.

Service upon purchaser of all demands, notices or other papers with respect to forfeiture and termination of purchaser's rights may be made by United States Mail, postage pre-paid, return receipt requested, directed to the purchaser at his address last known to the seller.

(11) Upon seller's election to bring suit to enforce any covenant of this contract, including suit to collect any payment required hereunder, the purchaser agrees 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 seller shall bring suit to procure an adjudication of the termination of the purchaser's rights hereunder and judgment is so entered, the purchaser agrees 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 a suit.

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

Jennifer Cox

Heidi Spaeth Dixon

STATE OF CALIFORNIA
 COUNTY OF SAN MATEO } ss

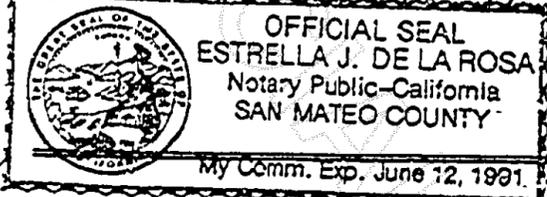
On this day personally appeared before me

Jennifer Spaeth Cox

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 8 day of April, 1991.

Estrella J. De la Rosa
 Notary Public in and for the State of Washington
 residing at SAN MATEO COUNTY
 My appointment expires on 6-12-91



STATE OF WASHINGTON

COUNTY OF King

On this 14 day of June, 1991, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared

Heidi Spaeth Dixon

known to me to be the individual described in and who executed the foregoing 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 that the seal of said corporation is a true and correct copy of the seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

Kim R. Hardy
 Notary Public in and for the State of Washington, residing at Seattle
 My appointment expires on 4/20/94



THIS SPACE RESERVED FOR RECORDER'S USE:

Filed for Record at Request of

Jennifer Spaeth Cox

AFTER RECORDING MAIL TO:

Barbara Hisock Spaeth

1408 Newport Way
 Seattle, WA 98122

9106140041

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That portion of Government Lot 2, Section 31, Township 36 North, Range 2 East, W.M., described as follows:

Beginning at the southwest corner of Government Lot 2; thence Easterly along the South line of said Government Lot 2 a distance of 554.98 feet; thence north $19^{\circ}10'$ East a distance of 143.82 feet to the true point of beginning; thence South $67^{\circ}22'$ East a distance of 137.7 feet; thence North $36^{\circ}06'30''$ East a distance of 334.4 feet; thence North $20^{\circ}52'$ East a distance of 38.68 feet, more or less, to the Southeast corner of a tract of land conveyed to Otis A. Pease and Mary H. Pease, his wife, by Deed recorded August 24, 1964, under Auditor's File No. 654947; thence North $69^{\circ}08'$ West a distance of 120 feet to the Easterly line of a tract of land conveyed to E. O. Erricson and Clare Erricson, his wife, by Deed recorded July 28, 1964, under Auditor's File No. 653729; thence South $20^{\circ}52'$ West a distance of 28.8 feet; more or less, to the Southeast corner of said Erricson tract; thence North $66^{\circ}43'$ West a

distance of 164.03 feet; thence North $31^{\circ}27'$ East a distance of 89.8 feet to high water line of Padilla Bay; thence northwesterly along high water line a distance of 34.78 feet, more or less, to the Northeast corner of a tract of land conveyed to James S. Ramsay and Mary Louise Ramsay, his wife, by Deed recorded April 18, 1963, under Auditor's File No. 634731; thence South $212^{\circ}39'$ West a distance of 153.34 feet; thence South $24^{\circ}01'15''$ East a distance of 52.08 feet; thence South $12^{\circ}03'50''$ West a distance of 98.15 feet; thence South $8^{\circ}33'45''$ West a distance of 141.64 feet to the point of beginning.

Together with the second class tide lands abutting thereto together with all rights of the grantor to the use of existing private roads in Government Lot 2, in Section 31, Township 36 North, Range 2 East, W.M. and Section 6, Township 35 North, Range 2 East, W.M. and preserving to the following-named persons, their heirs and assigns like easements for the use of said existing roads including the existing road within the property being conveyed, to-wit: Ralph Stockton, Stephen Dunthorne, Ada W. Hartman, Frances G. McCord, Howard C. Rustad, E. O. Erricson, Harold R. Rooke, Thomas Wendel, Otis A. Pease, James D. Ramsay, J. E. Marline, Maude Henderson and Howard Tuttle and also reserving to said persons, their heirs and assigns easements for the existing water lines and power lines and the use of the existing wells including the well and pump equipment existing on the property hereinabove described including the maintenance and repair of such roads, water lines, power lines, well and pump equipment granting to the grantees herein, their heirs and assigns, joint use of such easements hereby reserved, and grantor further grants to the said grantees, their heirs and assigns, to the extent allowed by the By-laws and Rules of the Seaway Hollow Association, a portion of such interest as the grantor has as a member of the Seaway Hollow Association in the fractional shares set forth above, in property rights and privileges accorded members of such association in the becoming members of such association. The property herein conveyed shall not be subdivided and shall be used as the residence of a single family and for no other purpose and no additional house, shed or other structure shall be built upon the premises without the consent of a majority of the members of the Seaway Hollow Association, a voluntary association, which is now composed of those parties to whom easements are hereinabove reserved, or their assigns.