

WHEN RECORDED RETURN TO:

Alan R. Souders
Attorney at Law
913 Seventh Street
Post Office Box 615
Anacortes, WA 98221-0615

10/3/17
KATHY HILL
SKAGIT COUNTY AUDITOR

98 JAN 13 P3:43

RECORDED _____ FILED _____
REQUEST OF _____

9801130089

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ISLAND TITLE CO.
SA-17105 ✓

*21639
SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax
PAID

REAL ESTATE CONTRACT

JAN 13 1998

IT IS HEREBY MUTUALLY AGREED, by and between

Amount Paid \$3026.00
Skagit County Treasurer
By: DD Deputy

Billy G. Gattenby and Violet E. Gattenby, husband and wife, of 305 Sharpe Road, Anacortes, Skagit County, Washington, parties of the first part and hereinafter called Sellers,

and

Jacqueline Boyd and David Boyd, husband and wife, of 2310 30th Street, Anacortes, Skagit County, Washington,

together with

Diane Clark and Lance Clark, husband and wife, of 4113 Kingsway, Anacortes, Skagit County, Washington,

who all four together are parties of the second part and hereinafter called Purchasers, WITNESSETH:

The Sellers hereby agree to sell to the Purchasers, and the Purchasers agree to purchase from the Sellers, their heirs, executors, administrators or assigns, that real property situated in the City of Anacortes, Skagit County, Washington, commonly known as 907 Sixth Street and legally described as:

Lots 3, 4 and 5, Block 22, "MAP OF THE CITY OF ANACORTES", as per plat recorded in the Volume 2 of Plats, page 4, records of Skagit County,

together with all the improvements and personal property located thereon, and 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 price which the Sellers agree to accept and which the Purchasers agree to pay for said real property and improvements located thereon is the sum of ONE HUNDRED AND SEVENTY THOUSAND DOLLARS (\$170,000.00), of which no earnest money has been paid. The purchase price is to be paid as follows: FORTY THOUSAND DOLLARS (\$40,000.00) at closing, with the balance of ONE HUNDRED AND THIRTY THOUSAND DOLLARS (\$130,000) payable in installments of ONE THOUSAND, ONE HUNDRED AND SIXTY EIGHT DOLLARS AND FORTY EIGHT CENTS (\$1,168.48) per month on or before the 10th day of each succeeding month after closing, until the total balance owing hereunder, together with interest, has been paid in full. Said monthly payments are calculated for payment in full of the balance of ONE

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HUNDRED AND THIRTY THOUSAND DOLLARS (\$130,000) over a period of fifteen years, thus providing for one hundred and eighty such monthly payments. The first of these monthly payments shall be due on or before the 10th day of February, 1998, with the final payment due on the 10th day of January, 2013. All unpaid portions of purchase price shall bear interest from closing, until paid at the rate of SEVEN PERCENT (7%) per annum, said interest to be computed and paid monthly, and all monthly 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 Purchasers 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; provided, that such additional sums paid (short of payment in full) shall not relieve the Purchasers from making regular monthly payments as in this contract provided.

2. 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.

3. Responsibility for Taxes and Assessments: The Purchasers hereby agree to pay before delinquency all taxes, assessments and other claims which may hereafter become a lien upon said property, dating from the first day of January, 1998.

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 Purchasers from the full payment of the purchase price herein to be paid, and in the event any such loss, damage or injury shall occur, the same shall be that of the Purchasers; and they shall not, by reason thereof, have the right to rescind this contract.

5. Representation of Purchasers: The Purchasers hereby acknowledge that they have been given full opportunity to inspect the premises, and that, in making this purchase, are relying solely upon their own examination and inspection thereof, and not upon any representations or warranties of the Sellers or their agents. Further, the Purchasers acknowledge that, having been in possession of the property for a substantial time as tenants renting from Sellers, they are well aware of the property condition. The Purchasers further agree to take good care of said property and premises while in its 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 Contract.

6. Representation of Sellers: SELLERS MAKE NO REPRESENTATIONS OF WARRANTIES EXCEPT AS EXPRESSLY CONTAINED HEREIN AND SHALL NOT IN ANY WAY BE LIABLE FOR ANY REPRESENTATIONS OR WARRANTIES WITH RESPECT TO:

- A. The condition of the property or the suitability of the property for habitation or for the Purchasers' intended use or for any use whatsoever. Seller specifically disclaims any warranty of habitability, express or implied.
- B. The compliance with any or all building, zoning or fire laws or regulations, including the compliance with permits of any governmental agency.
- C. The existence, accuracy, or validity of any documents with respect to the property (including without limitation, appraisals; general contractor's lien waivers and assignment of building and equipment warranties; architectural plans, specifications, surveys; or permits issued by governmental entities).

Purchasers assume, as of closing, the risk of all defects and conditions.

7. Insurance: The Purchasers hereby agree to keep the improvements on said property insured against all losses or risk in an insurance company or companies satisfactory to the Sellers, for

the full insurable value thereof. Sellers shall be named as an additional insured party on such all-risk or general comprehensive liability policy. Buyers agree that Sellers shall receive written notification from the insurance company or companies in advance of any cancellation of such insurance policy. In the event of loss, proceeds shall be payable first to the Sellers, in the amount remaining due under the contract, with any remaining proceeds distributed to the Buyers for repair and restoration of the property. However, Sellers hereby agree to provide insurance proceeds which they receive to the Buyers, if such proceeds are necessary for full repair and restoration of the property, withholding only such amounts necessary as to keep payments under the contract current. A copy of said insurance policy or policies and all renewals thereof, together with proof of payment of premium thereon, shall be delivered to the possession of the Sellers. Purchasers agree to provide proof of insurance commitment, by binder or other form acceptable to Sellers, at or before closing.

8. Reimbursement for Advances by Sellers: It is agreed that in the event the Purchasers 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 Purchasers are obligated to pay, that then and in such case, the Sellers, at their election, may pay or procure the same, and all sums so paid out by the Sellers shall be due and payable on demand, together with interest from the date of such advancement at the rate of 12% per annum, or the maximum rate allowable by law, whichever is greater, all without prejudice to any other right the Sellers might have by reason of such default.

9. Fulfillment Deed: The Sellers covenant and agree to convey said property and premises to the Purchasers 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 Purchasers, free and clear of all liens and encumbrances, except such warranty shall not extend to or cover any taxes, assessments or other liens which, by the terms of this contract, the Purchasers are obligated to pay.

10. Possession: Purchasers are now in possession of the premises as tenants and shall be entitled to continue in possession of the described premises so long as they shall make the payments as the same are required hereunder and otherwise fully comply with the terms and conditions of this contract.

11. Forfeiture: Time is of the essence of this contract, and if the Purchasers 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 Purchasers to be performed, then the Sellers shall have the right and election to declare this contract canceled and terminated; and if the Purchasers shall fail to make good such default within thirty (30) days after the Sellers shall have served a written notice of declaration of forfeiture by delivering said notice to the Purchasers or mailing the same by registered mail to said Purchasers at Purchasers's last known address, then and in that event all of the rights of the Purchasers 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 Sellers without further action on the part of the Sellers and without any right of the Purchasers 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 Sellers under this contract shall thereupon be forfeited without process of law, and shall be retained by and belong to the Sellers 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 Sellers for the Purchasers's failure to complete this contract. Upon Sellers' election to bring suit to enforce any covenant of this contract, including suit to collect any payment required hereunder, the Purchasers 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 Sellers shall bring suit to procure an adjudication of the termination of the Purchasers' rights hereunder, and judgment is so entered, the Purchasers 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.

12. Contract Binding on Heirs: The provisions of this Contract shall inure to and be

binding upon the parties hereto, their heirs, executors, administrators and assigns.

13. Non-Assignment. It is understood and agreed that the Sellers have entered into this contract with the understanding and agreement that the same will be fulfilled by the Purchasers, without assignment hereof and without any sale or transfer of interest in the property from the Purchasers to third parties; and Purchasers therefore covenant and agree that before they shall attempt to transfer this property in any way, they shall pay the unpaid balance owing to the Sellers, together with applicable interest, in full.

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

15. Offer and Acceptance: The signatures of the parties in this block constitute an offer to sell by the sellers on the terms specified above, superseding any previous agreement, and an acceptance of such offer by the purchasers. Such offer and acceptance form a binding contract on the parties, the offerors bound by a promise to sell and the purchasers bound by a promise to purchase. However, the purchase and sale of the real property itself shall not become final until the date of closing. At closing, the parties shall sign the finalized version of this contract, which signatures shall be acknowledged, and the various other requirements for a purchase and sale of real property shall be executed. It is anticipated that closing will occur as soon after 1 January 1998 as is feasible for the parties.

Date: Jan 7, 1998

Offerors:

Billy G. Battenby
Violet E. Battenby

Acceptors:

Lance K. Clark
Diane Clark
Jacqueline Boyd
Paul Boyd

16. Contract Collection: This contract shall be left for collection with _____ of Horizon Bank, and all payments required hereunder shall be made to said institution for the account of the Sellers, or to such other place as the Sellers may hereafter in writing direct said payments to be made.

WITNESS our hands and seals this 7th day of January, 1998

SELLERS:

Billy G. Gattenby
Billy G. Gattenby

Violet E. Gattenby
Violet E. Gattenby

PURCHASERS:

Jacqueline Boyd
Jacqueline Boyd

David Boyd
David Boyd

Diane Clark
Diane Clark

Lance Clark
Lance Clark

State of Washington)

:SS

County of Skagit)

On this 14th day of January, 1998 before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Billy G. Gattenby, Violet E. Gattenby, Jacqueline Boyd, David Boyd, Diane Clark, and Lance Clark, to me known to be the individuals described in and who executed the within and foregoing instrument and acknowledged said instrument as their free and voluntary act and deed, and for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument.

In Witness Whereof I have hereunto set my hand and official seal the day and year first above written



Sue Strizic
(Signature)

Sue Strizic
(Print Name)

Notary Public in and for the State of
Washington, residing at: Skagit County
My Commission expires: 02/01/99