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WHEN RECORDED RETURN TO:

JAMES E. ANDERSON P.S.
P.O. BOX 727
ANACORTES, WA 98221

REAL ESTATE CONTRACT

GRANTOR/SELLER: OLAV EDVARDBSEN, a single man

GRANTEE/PURCHASER: CHRISTINA MARIE BASS, a single woman

LEGAL DESCRIPTION: Lot 8, Block 59, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington.

TAX PARCEL NO.: 3773-059-008-0008, P55273

THIS CONTRACT is made and entered into between OLAV EDVARDBSEN, a single man, hereinafter called "Seller," and CHRISTINA MARIE BASS, a single woman, hereinafter called "Purchaser."

WITNESSETH: That Seller agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Seller the above described real estate with appurtenances in the County of Skagit, State of Washington.

Said sale shall be upon the following:

A. Terms and Conditions.

1. **Purchase Price.** The purchase price is One Hundred Thousand Dollars (\$100,000) payable as follows: Four Thousand Dollars (\$4,000) down with the balance of Ninety-Six Thousand Dollars (\$96,000) to be paid in equal monthly installments of Seven Hundred Thirty Dollars (\$730) or more at the Purchaser's option, including interest at the rate of 6.75 percent per annum on the unpaid balance. Said payments will commence on the 28th day of June 2002 and shall be payable on the same day of each month thereafter until the then

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principal balance and accrued interest shall have been paid in full. In the event Purchaser is more than five (5) days past due with any payment called for herein, a late payment penalty of One Hundred Dollars (\$100) shall be assessed. In addition to the monthly payments called for herein, Purchaser agrees to make an additional balloon payment of Two Thousand Dollars (\$2,000) on or before December 1, 2002. Said payment shall be in addition to the regular monthly payment called for during said month. The then remaining balance, together with any accrued interest, shall be paid in full on or before May 28, 2009.

Interest shall commence as of the date of recording of this contract. From each installment payment there shall first be deducted interest and the balance applied to the reduction of principal.

All payments after closing shall be made care of the Trust Accounting Center, P.O. Box 999, Anacortes, Washington 98221 unless Seller and Purchaser otherwise agree in writing. All costs connected with the establishment and continuance of said collection account shall be shared equally by Seller and Purchaser.


2. **Date of Closing.** As referred to in this contract, the date of closing shall be the date of recording of this contract.

B. **Taxes and Assessments.** The Purchaser assumes and agrees to pay before delinquency all taxes and assessments that may, as between Seller and Purchaser, hereafter become a lien on said real estate.

C. **Insurance.** 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 wind storm 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 a copy of all policies and renewals thereof to the Seller.

D. **Inspection.** 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. Purchaser acknowledges that she has lived on the subject property prior to closing and accepts the same "as is".

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E. Assumption of Hazards. 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 expenses 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.

F. Title Insurance. Purchaser has elected not to receive title insurance.

G. Fulfillment Deed. Seller agrees, upon receipt of full payment of the purchase price and interest in the manner above specified, and when all other terms, conditions, and covenants of this contract have been met, to convey the above described real property to Purchaser by Statutory Warranty Deed, excepting any part thereof which may hereafter be taken for public use, free and clear of encumbrances except those which may attach after the date hereof through any person other than the Seller or Seller's successors and assigns.

H. Possession, Repair, and Changes. 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 charges for water, sewer, or garbage or other utility services furnished to said real estate.

I. Failure to Pay Insurance or Other Charges. In case the Purchaser fails to make any payment herein provided or to

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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 12 percent per annum thereon from the 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.

J. Transfer of Purchaser's Interest. If the Purchaser's title to the property or any portion thereof is conveyed to any person without the written consent of Seller, the Seller may, at Seller's option, declare the entire remaining balance of the purchase price and all accrued and unpaid interest thereon immediately due and payable.

For the purposes of this contract, a "conveyance" of the "Purchaser's title" shall include a transfer by real estate contract, vendee's assignment, deed, forfeiture, foreclosure, sheriff's sale, trustee's sale, deed in lieu of any such involuntary sale, and lease with option to purchase.

No transfer of the property or any portion thereof shall release the transferring person from liability on this contract unless such release is expressly acknowledged by the Seller in writing.

Purchasers further agree to notify Sellers in writing of such transfer of Purchaser's interest.

The reason for this provision concerning non-transfer is the fact that Seller is extending credit to the Purchaser by this transaction and is relying on Purchaser's prior dealings with Seller.

K. Purchaser's Default. The Purchaser shall be in default under this contract if it:

1. Fails to observe or perform any term, covenant, or condition herein set forth or those of any prior encumbrances, or
2. Fails or neglects to make any payment of principal or interest or any other amount required to be discharged by the Purchaser precisely when obligated to do so, or
3. Becomes or is declared insolvent or makes an assignment for the benefit of creditors, or files any debtor's petition or any petition is filed against it under any

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bankruptcy, wage earner's plan, reorganization or similar act, or

4. Permits the property or any part thereof or its interest therein to be attached or in any manner restrained or impounded by process of any court, or

5. Abandons the property for more than 30 consecutive days (unless the property is otherwise occupied), or

6. Conveys the property or a portion thereof without any prior written consent required herein of the Seller.

L. Seller's Remedies. In the event the Purchaser is in default under this contract, the Seller may, at his election, take the following courses of action:

1. **Suit for Delinquencies.** The Seller may institute suit for any installment amounts or other sums due and payable under this contract as of the date of the judgment and any sums which have been advanced by Seller as of said date pursuant to the provisions of this contract, together with interest on all of said amounts at the default rate from the date each such amount was advanced or due, as the case may be, to and including the date of collection;

2. **Acceleration.** Upon giving the Purchaser not less than 15 days written notice of its intent to do so (within which time any monetary default may be cured without regard to the acceleration), and if the default is in the nature of a failure to timely pay any principal, interest, insurance premium, tax, or other sum of money required to be paid herein or any failure to obtain any consent of the Seller herein required for a conveyance of the Purchaser's title to the property, or if the Purchaser commits waste on the property, the Seller may declare the entire unpaid balance of the purchase price and all interest then due thereon and the prepayment premium to be immediately due and payable and institute suit to collect such amounts, together with interest on all of said sums at the default rate from the due date or date of each such advance to and including the date of collection;

3. **Forfeiture and Repossession.** The Seller may cancel and render void all rights, titles, and interests of the Purchaser and its successors in this contract and in the property (including all of the Purchaser's then existing rights, interests, and estates therein and timber, crops, and



improvements thereon) by giving a Notice of Intent to Forfeit pursuant to RCW 61.30.040-070, and said cancellation and forfeiture shall become effective if the default therein specified has not been fully cured within 90 days thereafter and the Seller records a Declaration of Forfeiture pursuant to RCW 61.30.040-070. Upon the forfeiture of this contract, the Seller may retain all payments made hereunder by the Purchaser and may take possession of the property 10 days following the date this contract is forfeited and summarily eject the Purchaser and any person or persons having possession of said property by, through, or under the Purchaser who was properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture. In the event the Purchaser or any person or persons claiming by, through, or under the Purchaser who was properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture remain in possession of the property more than 10 days after such forfeiture, the Purchaser, or such person or persons, shall be entitled to institute an action for summary possession of the property, and may recover from the Purchaser or such person or persons in any such proceedings the fair rental value of the property for the use thereof from and after the date of forfeiture, plus costs, including the Seller's reasonable attorney's fees.

4. **Specific Performance.** The Seller may institute suit to specifically enforce any of the Purchaser's covenants here-under, and the same may include redress by mandatory or prohibitive injunction;

5. **Property Rental.** In the event this contract is forfeited as herein provided or in any other manner permitted by law, or by mutual agreement of the Purchaser and the Seller, and the Purchaser shall thereafter remain in possession of the property beyond any period otherwise permitted by law, the Purchaser agrees that it will occupy the property as a tenant at will, and the Purchaser shall be obligated to pay, and hereby promises to pay during the period of such tenancy at will, a fair market rental in the amount then agreed to by the parties or, in the absence of such agreement or until such agreement is reached, an amount equal to two times the installment amount as and when provided for in the specific terms hereof, and the Seller shall have, in addition to all other remedies for the collection of rentals and the recovery of possession that are available to landlords under the laws of the State of Washington, the right to institute and maintain an action for summary possession of the property as provided by law.

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M. **Cumulative Remedies, Waivers.** The remedies stated herein are cumulative and not mutually exclusive and the Seller or the Purchaser may pursue any other or further remedies to enforce their respective rights under this contract.

N. **Costs and Attorney's Fees.** If either party shall be in default under this contract, the non-defaulting party shall have the right, at the defaulting party's expense, to retain an attorney or collection agency to make any demand, enforce any remedy, or otherwise protect or enforce its rights under this contract. The defaulting party hereby promises to pay all costs, expenses, and attorney's fees so incurred by the non-defaulting party, and the failure of the defaulting party to promptly pay the same shall in itself constitute a further and additional default.

O. **Time of Performance.** Time is specifically declared to be of the essence of this contract and of all acts required to be done and performed by the parties hereto.

P. **Disclosure.** Purchaser acknowledges that this contract and the related closing documents have been prepared by attorney James E. Anderson on behalf of Seller and that Purchaser acknowledges that she has the right to have an attorney of her own choosing to review this agreement on her behalf.

DATED: May 22, 2002 Olav E. Edvardson
OLAV EDVARDESEN, Seller

DATED: May 22 - 2002 Christina Marie Bass
CHRISTINA MARIE BASS, Purchaser

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

2329

MAY 30 2002

Amount Paid \$ 1780.⁰⁰
Skagit Co. Treasurer

By [Signature] Deputy

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STATE OF WASHINGTON)
) ss
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that OLAV EDVARDBSEN signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: MAY 22, 2002

JAMES E. ANDERSON
NOTARY PUBLIC
STATE OF WASHINGTON
COMMISSION EXPIRES
JANUARY 20, 2003

James E. Anderson
Notary Public in and for the State of
Washington, residing at
ANACORTES
My appointment expires: 1/20/2003.

STATE OF WASHINGTON)
) ss
COUNTY OF SKAGIT)

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

DATED: MAY 22, 2002

JAMES E. ANDERSON
NOTARY PUBLIC
STATE OF WASHINGTON
COMMISSION EXPIRES
JANUARY 20, 2003

James E. Anderson
Notary Public in and for the State of
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My appointment expires: 1/20/2003.

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