



200308250157  
Skagit County Auditor

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**AFTER RECORDING RETURN TO:**

Daniel Baker  
20683 Echo Hill Road  
Sedro-Woolley, WA 98284

**DOCUMENT TITLE(S):**

1. Statutory Warranty Deed
2. Real Estate Contract
- 3.

**GRANTOR:**

1. Thomas J. Miller
2. Lillian Miller
- 3.

**GRANTEE:**

1. Daniel C. Baker
- 2.
- 3.

**LEGAL DESCRIPTION:**

THE WEST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; AND THAT PART OF THE WEST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER, NORTH OF THE NORTHERLY FORK OF THE OLD GRADE ROAD, SOMETIMES KNOWN AS THE OLD RAILROAD, SECTION 21, TOWNSHIP 36 NORTH, RANGE 4 EAST, W.M.

**ASSESSOR'S PROPERTY TAX PARCEL ACCOUNT NUMBER(S):**

P49765

P49700

**REAL ESTATE CONTRACT**

**I. SPECIFIC TERMS**

**A. PARTIES, PROPERTY AND PURCHASE PRICE:**

Date: August 25, 2003.

Sellers: Thomas J. Miller and Lillian Miller

Sellers's Address: 3042 NE 178<sup>th</sup>  
Seattle, WA 98155

Buyer: Daniel Baker

Buyer's Address: 20683 Echo Hill Road  
Sedro-Woolley, WA 98284

Property: 20683 Echo Hill Road  
Sedro-Woolley, WA 98284

**Real Property Legal Description:**

THE WEST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; AND THAT PART OF THE WEST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER, NORTH OF THE NORTHERLY FORK OF THE OLD GRADE ROAD, SOMETIMES KNOWN AS THE OLD RAILROAD, SECTION 21, TOWNSHIP 36 NORTH, RANGE 4 EAST, W.M.

PURCHASE PRICE: \$ 72,500.00

Earnest Money: Ten thousand and 00/00 (\$10,000.00) dollars.

Subdivision: The property must be subdivided by Dec-15-, 2003.

Feasibility Contingency Expiration Date: 30 days after Closing Date

Title Insurance Company: Land Title of Skagit County.

SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

# 9283

AUG 25 2003

**B. TERMS OF PRIOR ENCUMBRANCES**

Amount Paid \$ 1109.25  
Skagit Co. Treasurer  
By *[Signature]* Deputy

Prior Encumbrance:

To Be Paid by:  Sellers [ ] Buyer



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Current Holder: \_\_\_\_\_  
Original Principal Amount: \$ \_\_\_\_\_  
Interest Rate: \_\_\_\_\_ percent per annum  
Current Principal Balance: \$ \_\_\_\_\_  
Payment Dates: \_\_\_\_\_  
Amount of Each Payment: \$ \_\_\_\_\_  
Secured By: \_\_\_\_\_  
Dated \_\_\_\_\_  
Recorded on \_\_\_\_\_  
Recording No. \_\_\_\_\_

**C. MISCELLANEOUS**

Is the Property to be used principally for agricultural or farming purposes?  
 Yes  No

**Skagit County Right to Farm.** Buyer is aware that the Property may be subject to the Skagit County Right to Farm Ordinance, Skagit County Code section 14.48, which states:

If your real property is adjacent to property used for agricultural operations or included within an area zoned for agricultural purposes, you may be subject to inconveniences or discomforts arising from such operations, INCLUDING BUT NOT LIMITED TO NOISE, ODORS, FLIES, FUMES, DUST, SMOKE, THE OPERATION OF MACHINERY OF ANY KIND DURING ANY 24 HOUR PERIOD (INCLUDING AIRCRAFT), THE STORAGE AND DISPOSAL OF MANURE, AND THE APPLICATION BY SPRAYING OR OTHERWISE OS CHEMICAL FERTILIZERS, SOIL AMENDMENTS, HERBICIDES AND PESTICIDES. Skagit County has determined that the use of real property for agricultural operations is a high priority and favored use to the county and will not consider to be a nuisance those inconveniences or discomforts arising from agricultural operations, if such operations are consistent with commonly accepted good management practices and comply with local, State and Federal laws.

Has the Sellers Completed a Residential Sale Disclosure form?  
 Yes  No

THE SELLERS AND THE BUYER HEREBY AGREE TO THE TERMS HEREINABOVE SET FORTH AND THE COVENANTS AND CONDITIONS CONTAINED IN THE ATTACHED GENERAL TERMS, ALL OF WHICH ARE INCORPORATED BY THIS REFERENCE. IN THE EVENT OF ANY CONFLICT OR INCONSISTENCY BETWEEN THE SPECIFIC TERMS (INCLUDING ANY EXHIBITS ATTACHED) AND THE GENERAL TERMS, THE FORMER SHALL CONTROL.



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**ADDENDUM ONE TO REAL ESTATE CONTRACT**

This addendum to the Purchase and Sale Agreement is entered into this 25 day of August, 2003 between Daniel Baker ("Buyer") and Thomas J. Miller ("Sellers") and supplements that certain Real Estate Contract between the Buyer and Sellers dated on the same date.

**RECITAL**

1. At the time of the execution of this Real Estate Contract, it is the intent of the Buyer, upon subdivision of the land described herein, to execute a Real Estate Contract and Deed transferring to Desiree Husslbe that portion of the land described as Lot 3 as shown on the attachment labeled as **Exhibit "A"** (hereinafter referred to as "Lot 3").
2. It is the intent of the Sellers to hold harmless and indemnify the Buyer from any and all liens or encumbrances held against or relating to the occupancy or ownership of the property described herein by Desiree Husslbe, the Sellers, or their representatives or assigns and that may exist on or after the time this agreement is executed.

**IT IS AGREED BETWEEN THE BUYER AND THE SELLERS AS FOLLOWS:**

1. It is agreed and covenanted that Lot 3, as further described in this agreement, shall consist of approximately one (1) acre of land and include any and all buildings, personal property, improvements, fixtures, timber and crops currently and hereafter located thereon.
2. The Buyer shall, upon subdivision of the property that is the subject of this Real Estate Contract, execute a Real Estate Contract and Quit Claim Deed in favor of Desiree Husslbe for that portion of the real property shown on Exhibit "A" as Lot 3, subject to an easement for the existing well situate on the proposed Lot 2 as shown on Exhibit A.
3. Once the subdivision contemplated herein is finalized by the buyer, the Sellers shall obtain an updated title report showing that all liens and encumbrances relating to the ownership or occupation of the property mentioned herein by Desiree Husslbe have been removed from the proposed Lots 1 and 2 as shown on the attached Exhibit A. If any liens or encumbrances arising out of the ownership of property by said Desiree Husslbe remain on the proposed Lots 1 and 2, Sellers shall cause such liens or encumbrances to be removed from Lots 1 and 2 and shall hold Buyer harmless and indemnify buyer from any and all liability or responsibility therefor.
4. It is agreed among the Buyer and Sellers that the eventual transfer of the proposed Lot 3 to Desiree Husslbe is a material part of this agreement and that the failure of Buyer to subdivide the property and transfer the proposed Lot 3 to Desiree Husslbe within one hundred and twenty (120) days of the execution of this agreement, regardless of fault, shall terminate this agreement and the earnest money shall be refunded to the Buyer.



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Initials: BUYER: DB DATE: 8-25-03 SELLERS: L-M DATE: Aug 25 2003  
 BUYER: DB DATE: 8-25-03 SELLERS: Lm DATE: Aug 29

II. GENERAL TERMS

- A. **Agreement of Sale.** Thomas and Lillian Miller (hereinafter "Sellers") agrees to sell and Daniel Baker, (hereinafter "Buyer") agrees to purchase all that certain Real Property and Buyer's buildings, personal property, improvements, fixtures, timber and crops currently and hereafter located thereon (herein collectively the "Property"), subject to the Title Exceptions listed in the Specific Terms hereof, to any of the Prior Encumbrances so listed which are not required to be discharged by the Sellers prior to or at the time of the delivery of the Sellers's deed to the Buyer, and to any rights, titles, estates, leases, encumbrances and other interests suffered or created by the Buyer, all for the considerations and subject to the terms, covenants and conditions herein contained.
- B. **Purchase Price.** Buyer agrees to pay to Sellers the Purchase Price, in cash at Closing, unless otherwise specified in this Agreement. Buyer represents that Buyer has sufficient funds to close this sale in accordance with this Agreement and is not relying on any contingent source of funds or gifts, except to the extent otherwise specified in the Agreement.
- C. **Earnest Money.** Buyer agrees to deliver the Earnest Money within 2 days after mutual acceptance of this Agreement to Sellers who will deposit any check into an interest bearing trust account in Sellers' name provided that Buyer completes an IRS Form W-9. Interest, if any, after deduction of bank charges and fees, will be paid to Buyer. Buyer agrees to reimburse Sellers for bank charges and fees in excess of the interest earned, if any. If all or part of the Earnest Money is to be refunded to Buyer and any such costs remain unpaid, the Sellers may deduct and pay them therefrom. The Sellers shall: (1) provide written verification of receipt of the Earnest Money and notice of dishonor of any check parties and licensees at the addresses provided herein.
- D. **Prior Encumbrances.** The Purchase Price is not comprised of the principal due under any Prior Encumbrances as of the date hereof. The Sellers hereby represents to the Buyer that no Prior Encumbrance provides that it will become in default or accelerated or the interest rate thereon adjusted above the Interest Rate stated therefor in the Specific Terms hereof because of the execution, delivery and recordation of this contract. The Sellers agrees to comply with all of the terms of the Prior Encumbrances, including such obligations as may be in addition to those contained in or which may otherwise limit its rights under this contract, and the Sellers hereby agrees to defend and indemnify the Buyer from and against all losses, claims, demands and allegations arising as a result of the Sellers' Failure to comply with the Prior Encumbrances. In the event either of the parties hereto gives or receives a written notice to or from the holder of a Prior Encumbrance it will promptly transmit a copy of such notice to the other. The Specific Terms of this contract indicate the person responsible for tendering the amounts due to the holders of the Prior Encumbrances, and the two subparagraphs "(a)" immediately following this paragraph apply to said payments to be made by the Buyer or the Sellers, respectively.

(a) *Sellers Pays Directly.* If it is indicated in the Specific Terms of this contract that the Sellers is to pay any Prior Encumbrances directly to the holder thereof, the Sellers hereby assumes and covenants and agrees with the Buyer to make such payments on their respective due dates and any failure of the Sellers to do so shall constitute a default under this contract. The Sellers shall be solely responsible for paying any reserve amounts for taxes, insurance premiums or other purposes to which the holder of any Prior Encumbrance is entitled.

Initials: BUYER: DB DATE: 8-25-03 SELLERS: Lm DATE: Aug 29 2003  
 BUYER: DB DATE: 8-25-03 SELLERS: L-M DATE: Aug 25 2003

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- E. Condition of Title.** Buyer and Sellers authorize Sellers to insert, attach or correct the Legal Description of the Property. Unless otherwise specified in this Agreement, title to the Property shall be marketable at Closing. The following shall not cause the title to unmarketable: rights, reservations, covenants, conditions and restrictions, presently of record and general to the area; easements and encroachments, not materially affecting the value of or unduly interfering with Buyer's reasonable use of the Property; and reserved oil and / or mining rights. Monetary encumbrances not assumed by Buyer shall be paid by Sellers on or before Closing. Title shall be conveyed by a Statutory Warranty Deed.
- F. Title Insurance.** Sellers authorize Buyer, at Sellers' expense, to apply for a standard form owner's policy of title insurance, with homeowner's additional protection and inflation protection endorsement if available at no additional cost, from the Title Insurance Company. The Title Insurance Company is to send a copy of the preliminary commitment to both the Buyer and the Sellers. The preliminary commitment, and the title policy to be issued, shall contain no exceptions other than the General Exclusions and Exceptions in said standard form and Special Exceptions consistent with the Condition of Title herein provided. If title cannot be made so insurable within 30 days of the Closing Date, then as Buyer's sole and exclusive remedy, the selling price shall, unless Buyer elects to waive defects or encumbrances, be refunded to the Buyer, less any unpaid costs described in the Agreement, and this Agreement shall thereupon be terminated. Buyer shall have no right to specific performance or damages as a consequence of Sellers' inability to provide insurable title.
- G. Closing.** The sale shall be closed by the parties on the Closing Date. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Sellers.
- H. Closing Cost and Prorations.** Sellers and Buyer shall each pay one-half of the Closing Costs. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Sellers shall pay any encumbrances which remain due on Closing.
- I. FIRPTA- Tax Withholding at Closing.** The Sellers agrees to sign a certification that Sellers is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act. If Sellers is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Sellers is instructed to withhold and pay the required amount to the Internal Revenue Service.

**Notices.** Unless otherwise specified in the Agreement, any notice required or permitted in, or related to, this Agreement must be in writing. Notices to Sellers must be signed by the Buyer and shall be deemed given only when the notice is received by Sellers. Notices to Buyer must be signed by the Sellers and shall be deemed given only when the notice is received by Buyer. Receipt by Sellers of a Real Property Transfer Disclosure Statement, Public Offering Statement and or/ Resale Certificate shall be deemed receipt by Buyer. Sellers have no responsibility to advise of receipt of a notice beyond phoning the party and causing a copy of the notice to be delivered to the party's address shown on this Agreement. Buyer and Sellers must keep each other advised of their whereabouts in order to receive prompt notification of receipt of a notice.

**Computation of Time.** Time is of the essence of this Agreement.

Initials: BUYER: DB DATE: 8-25-03 SELLERS: JM DATE: Aug 25<sup>th</sup>  
 BUYER: DB DATE: 8-25-03 SELLERS: LJM DATE: Aug 25<sup>th</sup>



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- L. **Integration.** This agreement constitutes the entire understanding between the parties and supersedes all prior or contemporaneous understandings and representations. No modification of this Agreement shall be effective unless agreed in writing and signed by Buyer and Sellers.
- M. **Assignment.** Buyer may not assign this Agreement, or Buyer's rights hereunder, without Sellers' prior written consent, unless provided otherwise herein.
- N. **Attorney's Fees.** If Buyer or Sellers institutes suit against the other concerning this Agreement, the prevailing party is entitled to reasonable attorneys' fees and expenses.
- O. **Feasibility Contingency.** It is the Buyer's responsibility to verify before the Feasibility Contingency Expiration Date identified in the Specific Terms whether or not the Property can be platted, developed and/or built on (now or in the future) and what it will cost to do this. BUYER SHOULD NOT RELY ON ANY ORAL STATEMENTS concerning this made by the Sellers. Buyer should inquire at the city or county, and water, sewer or other special districts in which the Property is located. Buyer's inquiry should include, but not be limited to: building or development moratoriums applicable to or being considered for the Property; any special building requirements, including setbacks, height limits or restrictions on where buildings may be constructed on the Property; whether the Property is affected by a flood zone, wetlands, shorelands, or other environmentally sensitive area; road, school, fire and any other growth mitigation or impact fees that must be paid; the procedure and length of time necessary to obtain plat approval and/or a building permit; sufficient water, sewer and utility and any service connection charges; and all other charges that must be paid.

Buyer and Buyer's agents, representatives, consultants, architects, and engineers shall have the right, from time to time during the feasibility contingency, to enter onto the Property and to conduct any tests or studies that Buyer may need to ascertain the condition and suitability of the Property for Buyer's intended purpose.

If the Buyer does not give notice to the contrary on or before the Feasibility Contingency Expiration Date identified in the Specific Terms, it shall be conclusively deemed that Buyer is satisfied as to development and/or construction feasibility and cost. If Buyer gives notice, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer, less any unpaid costs.

**Possession.** From and after the date of this contract, the Buyer may enter upon and take possession of the Property and, irrespective of the assignments and security interests granted in this contract, enjoy the use, rents (to the extent permitted to be collected herein), issues and profits thereof so long as such rights have not been affected by the exercise of any remedy of the Sellers.

**Subdivision.** If the Property must be subdivided, Sellers represents that there has been preliminary plat approval for the Property and this Agreement is conditioned on the recording of the final plat containing the Property on or before the date specified in the Specific Terms. If the final plat is not recorded by such date, this Agreement shall terminate and the earnest money shall be refunded to Buyer.

Initials: BUYER: DB DATE: 8-25-03 SELLERS: L.M. DATE: Aug 25<sup>th</sup>  
 BUYER: DB DATE: 8-25-03 SELLERS: L.M. DATE: Aug 25<sup>th</sup>

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IN WITNESS WHEREOF, the Sellers and the Buyer have executed this agreement as of the date first above stated.

Thomas J. Miller  
Thomas J. Miller "Sellers"

Lillian Miller  
Lillian Miller, "Sellers"

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF SKAGIT )

Notary Public  
State of Washington  
SHIRLEY K. NYLAND  
MY COMMISSION EXPIRES  
NOVEMBER 1, 2003 *an*

On this day personally appeared before me Thomas J. Miller and Lillian Miller, a married couple, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 25 day of August, 2003.

Shirley K Nyland  
Printed Name: Shirley K Nyland  
NOTARY PUBLIC in and for the State of Washington,  
Residing at mt. venon  
Appointment Expires: 11-1-03

Daniel Baker  
Daniel Baker "Buyer"

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF SKAGIT )

On this day personally appeared before me Daniel Baker, a single man, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 25 day of August, 2003.

Notary Public  
State of Washington  
SHIRLEY K. NYLAND  
MY COMMISSION EXPIRES  
NOVEMBER 1, 2003  
*an*

Shirley K Nyland  
Printed Name: Shirley K Nyland  
NOTARY PUBLIC in and for the State of Washington,  
Residing at mt. venon  
Appointment Expires: 11-1-03



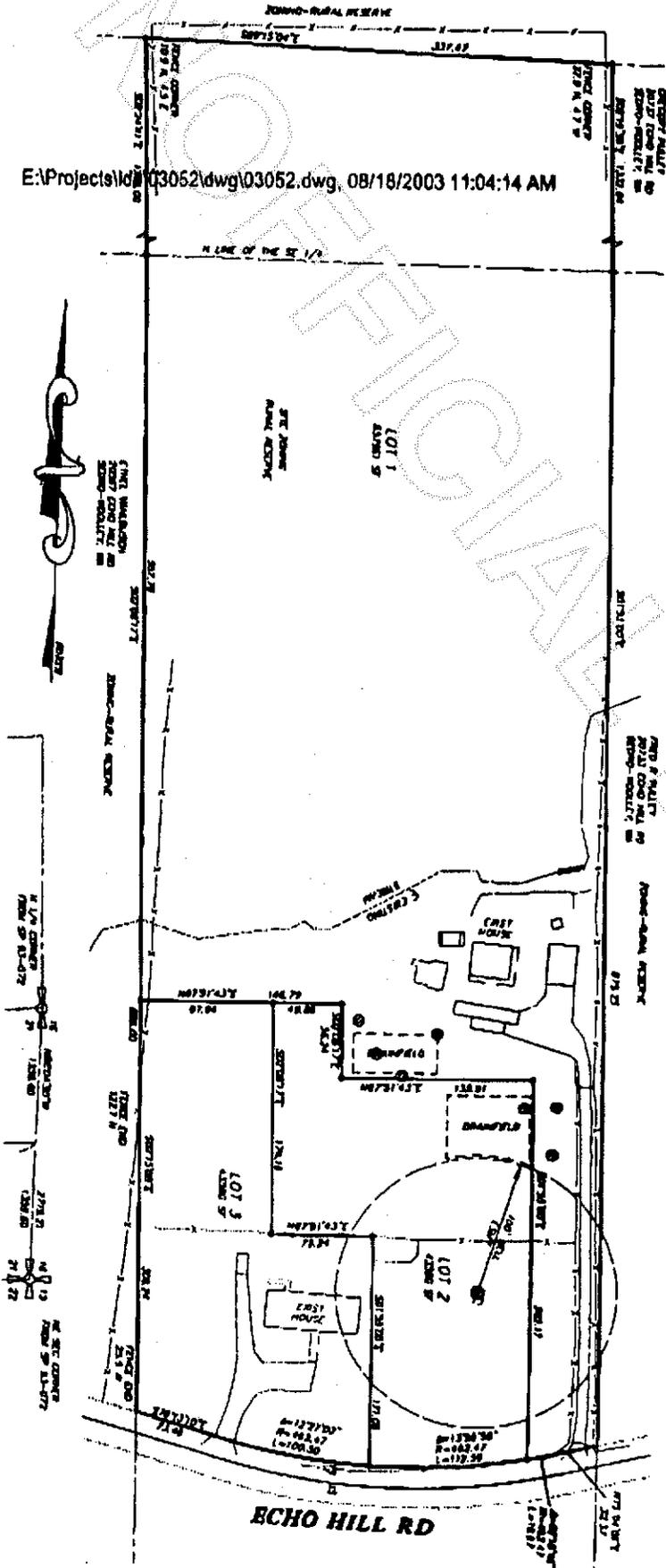
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Exhibit:

A

STATE OF WASHINGTON  
DEPT. OF NATURAL RESOURCES  
PO BOX 47918  
OLYMPIA, WA

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*J.M. L.M.*  


8-18-03

**AFTER RECORDING RETURN TO:**

Daniel Baker  
20683 Echo Hill Road  
Sedro-Woolley, WA 98284

*Fulfillment*  
SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX  
*# 4283*  
AUG 25 2003

**(Fulfillment)  
STATUTORY WARRANTY DEED**

Amount Paid \$ *1109.25*  
By *[Signature]* Skagit Co. Treasurer Deputy

**THE GRANTOR(S):** Thomas J. Miller and Lillian Miller, a married couple, for and in consideration of Seventy-two Thousand Five-hundred Dollars (\$72,500.00) in hand paid, conveys, and warrants to Daniel C. Baker, a single man, the following described real estate, situated in the County of Skagit, state of Washington:

THE WEST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; AND THAT PART OF THE WEST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER, NORTH OF THE NORTHERLY FORK OF THE OLD GRADE ROAD, SOMETIMES KNOWN AS THE OLD RAILROAD, SECTION 21, TOWNSHIPE 36 NORTH, RANGE 4 EAST, W.M.

Assessor's Property Tax Parcel/Account Number: P49765

This deed is given in fulfillment of that certain real estate contract between the parties hereto, dated August \_\_\_\_\_, 2003, and conditioned for the conveyance of the above described property, and the covenants of warranty herein contained shall not apply to any title, interest or encumbrance arising by, through or under the purchaser in said contract, and shall not apply to any taxes, assessments or other charges levied, assessed or becoming due subsequent to the date of said contract.

Real Estate Excise Tax was paid on this sale or stamped exempt on 8/25, 2003,  
Rec. No.: \_\_\_\_\_



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