



200510180003  
Skagit County Auditor

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## REAL ESTATE CONTRACT

**THIS CONTRACT**, made and entered into this 6 day of October, 2005, between Jeremiah McCormick, a single person, and Lawrence P. McCormick, as his separate property, hereinafter called the "sellers," and Blake J. Musselman, a single person, hereinafter called the "purchaser,"

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

Tracts 1 and 2 of SKAGIT COUNTY SHORT PLAT NUMBER 63-80, recorded in Volume 5 of Short Plats, page 145 under Auditor's File No. 8112010015 and being a portion of the East Half of the Northwest Quarter of Section 20, Township 36 North, Range 4 East of the Willamette Meridian

Tax parcels # 360420-2-002-2208 & # 360420-2-002-2307

The terms and conditions of this contract are as follows: The purchase price is One Hundred Thousand (\$100,000.00) Dollars, which shall be paid as follows: Nothing down upon the purchase price, and the balance of One Hundred Thousand (\$100,000.00) Dollars, payable at Five Hundred Eighty Three and 57/100 (\$583.57) Dollars, or more at purchaser's option, on or before the 1<sup>st</sup> day of December, 2005, and Five Hundred Eighty Three and 57/100 (\$583.57) Dollars, or more at the purchaser's option, on or before the 1<sup>st</sup> day of each succeeding calendar month until the balance of said purchase price shall have been fully paid, provided, however, that on December 1, 2015, the balance of the purchase price shall be paid in full. There shall be no prepayment penalty of any kind whatsoever. The purchaser further agrees to pay interest on the diminishing balances of said purchase price at the rate of five and three quarters (5 <sup>3</sup>/<sub>4</sub>) per cent per annum from the 31<sup>st</sup> day of October, 2005, which interest shall be deducted from each installment payment and the balance of each payment applied in reduction of principal. All payments to be made hereunder shall be made to sellers at such address as the sellers may direct in writing.

Until the sellers are cashed out, sellers shall pay before delinquency all taxes and assessments that may as between sellers and purchaser hereafter become a lien on said real estate; and the purchaser shall promptly reimburse sellers for such expenditures.

The purchaser agrees that full inspection of said real estate has been made and that neither the sellers nor their assigns shall be held to any covenant respecting the condition of any improvements thereon nor shall the purchaser or sellers 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.

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 sellers and applied as payment on the purchase price herein unless the sellers elect 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 sellers for application on the purchase price herein.

The sellers agree to deliver at time of cash out, a purchaser's policy of title insurance in standard form, or a commitment therefor, insuring the purchaser to the full amount of said purchase price against loss or damage by reason of defect in sellers' title to said real estate as of the date of closing and containing no exceptions other than printed general exceptions appearing in said policy form;

The sellers agree, upon receiving full payment of the purchase price and interest in the manner above specified, to execute and deliver to purchaser a statutory warranty 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 sellers, and subject to the following: None

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.

In case the purchaser fails to make any payment herein provided or to maintain insurance, as herein required, the sellers may make such payment or effect such insurance, and any amounts so paid by the sellers, together with interest at the rate of 10% per annum thereon from date of payment until repaid, shall be repayable by purchaser on sellers' demand, all without prejudice to any other right the sellers might have by reason of such default.

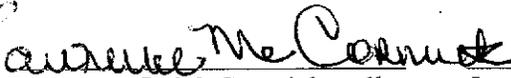
Time is of the essence of this contract, and it is agreed that in case the purchaser shall fail to comply with or perform any condition or agreement hereof or to make any payment required hereunder promptly at the time and in the manner herein required, the seller may elect to declare all the purchaser's 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 sellers as liquidated damages, and the sellers shall have right to re-enter and take possession of the real estate; and no waiver by the sellers 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 sellers.

Upon sellers' 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.

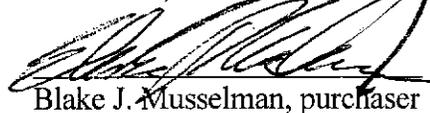
If the sellers shall bring suit to procure an adjudication of the termination of the purchaser's rights hereunder, and judgment is so entered, the purchaser agrees to pay a reasonable sum as attorney's fees and all costs and expenses in connection with such suit, and also the reasonable cost of searching 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 suit.

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



Lawrence P. McCormick, seller

Jeremiah McCormick, seller



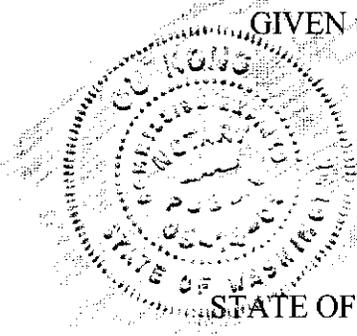
Blake J. Musselman, purchaser



STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this day personally appeared before me Jeremiah McCormick and Lawrence P. McCormick, 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 6 day of October, 2005.



*[Signature]*  
Notary Public in and for the State  
of Washington, residing at Seattle  
My Commission expires: 01/08/06

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this day personally appeared before me Blake J. Musselman, 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 6 day of October, 2005.

*[Signature]*  
Notary Public in and for the State  
of Washington, residing at Seattle  
My Commission expires: 01/08/06

# 5783  
SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

OCT 17 2005

Amount Paid \$ 1785.00  
Skagit Co. Treasurer  
By *[Signature]* Deputy



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Skagit County Auditor