



200511030119

Skagit County Auditor

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Document Title:

Rental Agreement  
With Option to Purchase

Reference Number :

Grantor(s):

☐ additional grantor names on page \_\_\_\_

1. Semro, Stephanie
2. Thomas, Jeffry E.

Grantee(s):

☐ additional grantee names on page \_\_\_\_

1. Simpson, Leonard
2. Simpson, Lorraine

Abbreviated legal description:

☐ full legal on page(s) \_\_\_\_

Sunrise add to concrete  
10.35.8

Assessor Parcel / Tax ID Number:

☐ additional tax parcel number(s) on page \_\_\_\_

P70904

# RENTAL AGREEMENT WITH OPTION TO PURCHASE

## **1. Property**

Commonly known as 7689 South Park Avenue, Concrete, County of Skagit, Washington,  
Legal description:

SUNRISE ADD TO CONCRETE, ACRES 1.36, SURVEY RECORDED UNDER AF#200204230175 AKA THAT PORTION OF THE WEST ½ OF TRACTS 113 AND 14, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID TRACT 13; THENCE EAST 200 FEET; THENCE SOUTH 355 FEET TO THE SOUTH LINE OF SAID TRACT 14; THENCE WEST 200 FEET; THENCE NORTH 255 FEET TO THE TRUE POINT OF BEGINNING EXCEPT THE SOUTH 100 FEET OF THE WEST 200 FEET OF TRACT 14 AND VACATED STREET ADJOINING, AS CONVEYED TO HURN SHINGLE COMPANY, INC., BY DEED RECORDED MAY 4, 1993, UNDER AUDITOR'S FILE NO. 9305040084, ALSO TOGETHER WITH THE EAST ½ OF VACATED SECOND AVENUE (PARK STREET) AS VACATED BY INSTRUMENT RECORDED APRIL 8, 1993, UNDER AUDITOR'S FILE NO. 9304080018.

## **2. Parties**

The parties to this lease agreement are Leonard Simpson and Lorraine Simpson, a married couple, hereinafter "Lessor" and "Option"; and Stephanie L. Semro and Jeffry E. Thomas, both single individuals, hereinafter "Lessee" and "Optionee".

## **3. Term**

The term of this agreement shall be from November 1, 2005, until May 31, 2006, or upon exercise of option to purchase the property or default in payment by the Lessee.

## **4. Rent and Utilities**

Lessee covenants and agrees to pay Lessor as rental for the said premises the sum of nine hundred fifty dollars (\$950), per month. All rentals shall be payable in advance on the fifth day each month during the term of this lease, commencing November 1, 2005 and continuing the fifth day of each month thereafter during the term of this Lease. There shall be a late payment fee of the amount of 10% of the rental reserved for any rental payment not received by Lessor or Lessor collection agent on or before the 10<sup>th</sup> day of each month. Lessee acknowledges that the purpose of strict compliance with the rental obligation is based, in part, on the option provisions set forth below.

Lessee shall be responsible for the payment of all utilities and services including water, sewer, electrical, telephone, garbage/recycle and other utility charges; and Lessor agrees to pay all property taxes, assessments, and insurance on the dwelling, Lessee being entitled to insure the same at their option. In the even of an increase in taxes, Lessee shall reimburse Lessor on a monthly basis prorated. Lessee is entitled to insure the contents at his option. Lessee shall maintain the premises and make all necessary repairs to the structure, including the roof, if necessary.



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## **5. Lessee Duty to Maintain Premises**

- a. Lessee shall keep the house and premises in clean, sanitary and presentable condition and shall properly dispose of all rubbish, garbage, and other organic or flammable waste in a clean sanitary manner, at reasonable and regular intervals and assume all cost of extermination and fumigation for any infestation caused by Lessee.
- b. Lessee shall not intentionally or negligently destroy, deface, damage, impair or remove any part of the structure or dwelling, and shall keep in good repair and condition all furnishings and appliances, if any.
- c. Lessee shall not permit a nuisance or common waste.
- d. Lessee shall, upon termination of this agreement, restore the premises to their initial condition except for reasonable wear and tear.
- e. Lessee shall be permitted to make alterations and change landscaping to render premises habitability. Lessee shall not make structural changes until such time as the sale closes. Lessee will repair or replace the roof as needed. In the event the Lessee fails to exercise the purchase option herein, any repairs or improvements shall be property of Lessor. Lessee shall take all necessary steps to prevent freezing of water pipes and to keep the yard free of clutter and regularly maintained.

## **6. Termination**

The Lessor may terminate this agreement by written notice delivered pursuant to RCW 59.12.0 the Revised Code of Washington if Lessee defaults in any rent payments, fails to comply with terms of this agreement, or otherwise breaches any of Lessee duties prescribed by law. The duties of Lessee upon termination of this agreement shall be to vacate the premises, remove all personal property, and leave the premises in as good a condition as they found them except for normal wear and tear.

## **7. Option to Purchase**

In further consideration of rental payments and covenants contained herein, the Lessor/Optionor gives and grants unto lessee/Optionee the option to purchase the real property and residence described herein, on the following terms and conditions:

- Purchase price of \$163,000. Closing shall be on or before May 31, 2006, or this option terminates.
- On or before May 31, 2006, the Lessee must notify Lessor of the intent to purchase the property and Lessor will carry a note of the balance due on the purchase price at the prime rate plus 5%. Monthly payments will be amortized over the necessary number of years. Any late payment will carry a 10% late penalty.



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Optionee will receive credit of \$950.00 per month from November 1, 2005 for each month in which rent is promptly paid which may apply to the down payment. These payments are nonrefundable if the option is not exercised or if optionee defaults on payment under this agreement.

If not exercised, this option shall expire upon default in payment or covenants, termination of this agreement or May 31, 2006 whichever is first, and Optionor shall be released from all obligations hereunder and all of Optionee's rights hereunder, legal or equitable, shall cease and the consideration shall be retained by Optionor. Any amounts paid under this agreement or improvements made to the premises belong entirely to the Optionor.

Evidence of title shall be in the form of a policy of title insurance to be paid for by the Optionor. The title shall be free and clear of all encumbrances except real estate taxes not yet due, covenant conditions, restrictions, reservations, rights, rights of way and easements of record, if any which do not materially affect the value of intended use of the property.

#### **8. Termination of Option**

This option shall automatically terminate unless Lessee/Optionee exercises the right to purchase as set forth herein. Said option shall terminate and be of no further force and effect, in the event or for any reason, Lessee fails to pay the monthly rental payment as provided in this Agreement, the Agreement or Option is terminated for any reason other than purchase of the property by the Optionee, all sums paid are released to Optionor/Lessor. The payment of such sum is not liquidated damages and the parties are entitled to pursue legal remedies.

#### **9. Binding Effect**

This agreement represents the entire agreement between the parties hereto and there are no collateral, parol, oral, or other agreements or understandings. All additions, variations, or modifications to this Agreement shall be void and of no force and effect unless in writing and signed by both parties. The covenants and agreements of this Lease-Option Agreement shall be binding upon the successors and assigns of the parties.

#### **10. Assignment**

This agreement shall not be assignable by Lessee/Optionee without the written consent of Lessor/Optionor. Consent to assignment is at the discretion of Optionor. The option may not be assigned or transferred to anyone except immediate family of the Optionor.

#### **11. Indemnity**

Lessee/Optionee hereby agrees to indemnify and hold harmless Lessor/Optionor from any acts, defaults of Lessee and from any or all expenses, losses, encumbrances or liabilities incurred because of the acts of omissions of Lessee/Optionee



**12. Provisions of RCW 59.18 – Inapplicable**

It is expressly acknowledged that pursuant to RCW 59.18 this is an occupancy under a bonafide option to purchase and that the provisions of RCW 59.18 do not apply.

**13. Attorneys Fees**

If, by any reason of any default on the part of Lessee/Optionee of any covenants, terms or performance of any other the provisions of this agreements, it becomes necessary for the Lessor/Optionor to employ an attorney, the Lessee/Optionee agrees to pay all costs, expenses, attorneys' fees expended or incurred by the Lessor/Optionor in connection therewith. Said attorneys' fees include a reasonable attorney fee if suit is brought or not, and including attorney fees for any services provided supplemental to and in aid of execution on judgment if any.

yearly TAXES for 2005 are \$1818.00

yearly INSURANCE is \$427.00



IN WITNESS WHEREOF, the parties are hereunto  
and seals this 2nd day of Nov., 2005.

Lessor: Leonard V. Simpson

Lorraine Simpson

By: Leonard V. Simpson

Lorraine Simpson

Lessee: Stephanie L. Semro

Jeffrey E. Thomas

By: Stephanie L. Semro

Jeffrey E. Thomas

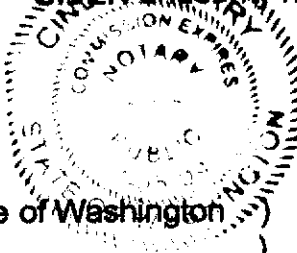
State of Washington )

) ss.

County of Skagit )

On this day personally appeared before me Leonard V. Simpson and Lorraine Simpson to me known to the individuals described in and who executed by authorized agent, the foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 2nd day of Nov., 2005



Cindy Perry  
Notary Public for Washington

My commission expires: July 5, 2009

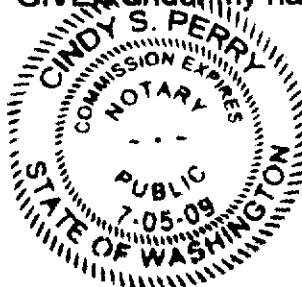
State of Washington )

) ss.

County of Skagit )

On this day personally appeared before me Stephanie L. Semro and Jeffrey E. Thomas to me known to the individuals described in and who executed by authorized agent, the foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 2nd day of Nov., 2005



Cindy Perry  
Notary Public for Washington

My commission expires: July 5, 2009

