



200608030103
Skagit County Auditor

8/3/2006 Page 1 of 6 2:38PM

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Linda K. Ebberson
Lasher Holzapfel Sperry & Ebberson
601 Union Street, Suite 2600
Seattle, Washington 98101-4000

RIGHT OF FIRST REFUSAL

Grantor(s): Reuland, Pamela L.
Grantee(s): Reuland, Noel, C.
Legal Description: Section 27, Twp. 35 North, Range 1 East, W.M.
Additional legal on page 2
Assessor's Tax Parcel No.: P59624

Parties

- 1.1 Grantor. Pamela L. Reuland, a single woman.
- 1.2 Grantee. Noel C. Reuland, a single man.

Real Property

2.1 Property. The real property situated in the County of Skagit, State of Washington, described as follows:

PARCEL A:

LOT 43, "SKYLINE NO. 7", ACCORDING TO THE PLAT THEREOF
RECORDED IN VOLUME 9 OF PLATS, PAGES 70 AND 71, RECORDS OF
SKAGIT COUNTY, WASHINGTON.

PARCEL B:

THAT PORTION OF SECTION 27, TOWNSHIP 35 NORTH, RANGE 1 EAST
OF THE WILLAMETTE MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF LOT 43, "SKYLINE
NO. 7", ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 9

OF PLATS, PAGES 70 AND 71, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE SOUTH 56°26'56" EAST 60 FEET; THENCE SOUTH 34°36'26" WEST 75.37 FEET; THENCE SOUTH 52°04'58" WEST 78.33 FEET; THENCE NORTH 22°04'17" WEST 80 FEET TO THE MOST SOUTHERLY CORNER OF SAID LOT 43; THENCE NORTHERLY ALONG THE SOUTHEASTERLY LINE OF SAID LOT TO THE POINT OF BEGINNING.

Right of First Refusal

3.1 **Right of First Refusal for Purchase.** If Grantor shall receive a bona fide offer to purchase the Property from a third party (which does not have the power of eminent domain) (hereinafter called Third-Party Offer), Grantee shall have the right to purchase on the same terms and conditions plus one dollar (\$1.00). A bona fide offer shall be defined as an executed and enforceable purchase and sale (or option to purchase) agreement.

3.2 **Bona Fide Like-Kind Offer.** This Right of First Refusal shall apply to a bona fide like-kind offer. Grantor and Grantee shall agree on a money equivalent, without taking into effect any income tax consequences. In the event that a dispute arises between Grantor and Grantee concerning the money equivalent of a bona fide like-kind offer, either party may submit the issue to arbitration pursuant to the terms of paragraph 3.8, Arbitration. In the event of a bona fide like-kind offer, the sixty (60) days in paragraph 3.10, Exercise of Right of First Refusal, shall run from the date the money equivalent is established by agreement or arbitration.

3.3 **Portion of Property.** This Right of First Refusal shall apply to a bona fide offer to purchase a portion of the Property.

3.4 **Additional Property.** This Right of First Refusal shall apply to a bona fide offer to purchase the Property together with additional real or personal property. Grantor and Grantee shall agree on a proportionate value for the Property. Grantee may elect to exercise this Right of First Refusal as to the Property and the additional property or only as to the Property. In the event that a dispute arises between Grantor and Grantee concerning the money equivalent of a proportional value of the Property, either party may submit the issue to arbitration pursuant to the terms of paragraph 3.8, Arbitration. In the event of a bona fide offer to purchase a portion of the Property or the Property and additional property, the 60 days in paragraph 3.10, Exercise of Right of First Refusal, shall run from the date the money equivalent is established by agreement or arbitration.

3.5 **Included Items.** The following items presently located on the property are included in the sale at no additional cost, unless noted otherwise: attached floor coverings; window and door screens; attached plumbing and lighting fixtures; attached television antennas; landscaping; built-in appliances; window treatments; ventilating, heating and cooling systems and fixtures; attached irrigation equipment; docks and ramps; and all other items set forth in the bona fide offer.



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3.6 Period of Right of First Refusal. This Right of First Refusal shall be effective immediately and shall terminate on the death of the Grantee.

3.7 Consideration. The consideration for this Right of First Refusal is One and no/100 Dollars (\$1.00) (U.S. Currency) in hand paid, and other valuable consideration, receipt of which is hereby acknowledged.

3.8 Arbitration. In the event that dispute arises between Grantor and Grantee concerning this agreement, either party may submit the issue to arbitration with Rosselle Pekelis or other mutually agreed upon arbitrator. Arbitration fees shall be initially paid equally by the Grantor and Grantee, but shall be subject to reallocation by the Arbitrator.

3.9 Notice. All notices to Grantee shall be in writing and delivered personally to Grantee or delivered by overnight delivery to Grantee's Agent (Federal Express or UPS only) with adult signature required as follows:

Grantee's Agent:

Rob Toms, Jr.
Gibson Rivera & Toms LLP
55 S. Lake Avenue, Suite 550
Pasadena, California 91101
Fax No.: (626) 405-1122
Email: rtoms@grtlaw.net

Notice shall be deemed given, in the event of delivery to Grantee, on the date of delivery. In the event of overnight delivery to Grantee's Agent, notice shall be deemed given on the date of the required adult signature or the date upon which signature is refused.

In addition, to constitute notice to Grantee's Agent, a copy of any notice shall be faxed to the Grantee's Agent at the time and on the date the notice is deposited with the overnight delivery carrier for delivery to Grantee's Agent.

All notices to Grantor shall be in writing and delivered personally to Grantor or delivered by overnight delivery (Federal Express or UPS only) with adult signature required as follows:

Grantor

Pamela L. Reuland
1915 Bay Place
Anacortes, WA 98221
Fax No.: _____
Email: pam@rhinotronix.com



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Notice to Grantor shall be deemed given on the date of delivery or, if by overnight delivery, on the date such notice is deposited with the overnight courier (Federal Express or UPS only) for overnight delivery to the Grantor.

All notice periods shall begin and end on midnight and either party may change the ^{new the name of the} instructions ~~for such notice to the changing party by written notice to the other party.~~

~~person and/or contact information to whom notice is given.~~ ^{new} PK

3.10 Exercise of Right of First Refusal. Grantor shall notify Grantee of the Third-Party Offer and shall furnish Grantee a copy of the purchase and sale agreement or option to purchase agreement, as applicable. Grantee shall have two (2) business days from receipt of the notice and a copy of the Third-Party Offer to notify Grantor whether Grantee exercises Grantee's right to purchase. If Grantee indicates its intention to exercise its right to purchase, Grantee shall have the same period of time in which to close the transaction as provided in the Third-Party Offer, but in any event, no less than sixty (60) days from the time Grantee notifies Grantor of his intention to exercise the option.

3.11 Non-Exercise of Right of First Refusal. If Grantee chooses not to exercise Grantee's right to purchase, or chooses to exercise the right, but is unable to close, Grantor may close the sale or ~~finalize the lease~~ ^{PK NCR} on the terms and conditions of the Third-Party Offer. Grantor may not close on any materially different terms without allowing the Grantee the right to purchase ~~or lease~~ ^{PK NCR} on such different terms. In the event a sale does not close under a bona fide offer that Grantee has not exercised his right to purchase, Grantee shall continue to have a right of first refusal on any future bona fide offer to purchase.

3.12 Listing Agreement. In the event that Grantor elects to list the Property for sale through a licensed Real Estate Broker, the Listing Agreement shall specifically exclude Grantee from the Listing Agreement so as to provide that in the event the Property is sold to and purchased by Grantee during the term of the Listing Agreement, and the Grantee is not represented by a broker/agent that seeks a Buyer's Agent commission, the commission payable under the Listing Agreement as to that sale shall be one-half the commission provided for under the Listing Agreement (e.g., if the listing agreement provides for a 6% commission, the commission to the listing broker in the event of sale to Grantee, shall be 3%). A copy of the Listing Agreement shall be provided to Grantee on the same day as it becomes effective. In the event of any modifications or amendments to the Listing Agreement, a copy of such modification or amendment shall be provided to Grantee on the same day it becomes effective.

3.13 Closing Costs Credit. In the event that Grantee purchases the Property while the Property is subject to the Listing Agreement and is not represented in the sale by a broker/agent, Grantee shall receive a one-time closing costs credit against the purchase price equal to one-half of the commission that is specified in the Listing Agreement (e.g., in the event the Listing Agreement provides for a 6% commission, the closing costs credit from Grantor to Grantee shall be 3%).



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3.14 Bidding Process if Listed. In the event that the Property is listed for sale, Grantor shall have the option to make all bids received known to all potential buyers so that each potential buyer shall have an opportunity to overbid that other, including Grantee. Grantee shall be required to match or exceed the best bona fide offer, except that Grantee shall be entitled to the closing costs credit provided for above in 3.13. The final price shall be determined by an open bidding process between Grantee and the third-party offeree.

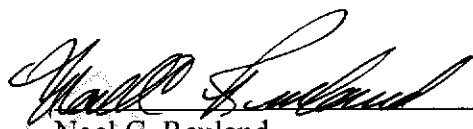
3.15 Intent of the Parties. In the event that Grantor elects to list the Property for sale, it is the intent of the parties that Grantor shall sell the Property and that Grantee shall have an opportunity to purchase the Property at a price equal to the highest bona fide offer plus \$1.00 (i.e. Grantee shall have the final opportunity to match or exceed the highest bona fide offer) and that Grantor shall receive net sale proceeds in the amount of \$1.00 greater than Grantor would have received had Grantor accepted and sold the Property pursuant to the highest third-party offer.

Dated this 16 day of May, 2006.

GRANTOR


Pamela L. Reuland

GRANTEE


Noel C. Reuland

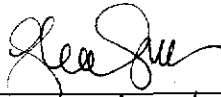


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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that **Pamela L. Reuland** is the person who appeared before me and said person acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 26th day of May, 2006.

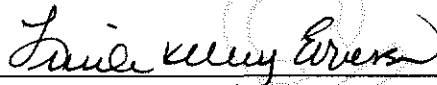


Printed Name GAIL WAMBLDT
NOTARY PUBLIC in and for the State of
Washington, residing at SEATTLE, WASH
My appointment expires 11.04.08

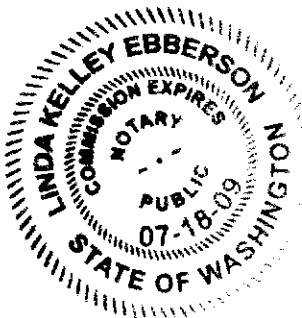
STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that **Noel C. Reuland** is the person who appeared before me and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 16 day of May, 2006.



Printed Name LINDA KELLEY EBBERSON
NOTARY PUBLIC in and for the State of
Washington, residing at Seattle
My appointment expires 7/18/09



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