

Return Address:

Murphy
PO Box 44
Pnw, WA. 98232-0044



200712100082
Skagit County Auditor

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POOR ORIGINAL

Document Title:

LEASE PURCHASE OPTION AGREEMENT

GUARDIAN NORTHWEST TITLE CO.

Reference Number:

M9126

Grantor(s):

1. MINDY OSETEK

additional grantor names on page ___

2.

ACCOMMODATION RECORDING ONLY

Grantee(s):

1. MARY L. MURPHY

additional grantee names on page ___

2.

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

DEC 10 2007

Abbreviated legal description:

PORTION OF LOT 1, SHORT PLAT 95-040

full legal on page(s) 2.

Amount Paid \$ 0
By Skagit Co. Treasurer
Deputy *Sp*

Assessor Parcel / Tax ID Number:

P48733 and P111110

additional tax parcel number(s) on page ___

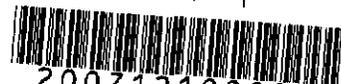
I, JENNIFER JELDEN, am hereby requesting an emergency non-standard recording for an additional fee provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document. Recording fee is \$40.00 for the first page, \$1.00 per page thereafter per document. In addition to the standard fee, an emergency recording fee of \$50.00 is assessed. This statement is to become part of the recorded document.

Signed *Jennifer Jelden*

Dated 12-10-07

Return Address: MURPHY
P.O. BOX 44
BOW, WA 98232-0044

Document Title(s) (for transactions contained therein):	
1. Lease Purchase Option Agreement	
2.	
3.	
4.	
Reference Number(s) of Documents assigned or released: (on page of documents(s))	
Grantor(s)	
1.	
2. MINDY OBEK (P.L.A.)	
3.	
4.	
Additional Names on page of document.	
Grantee(s)	
1. Mary L Murphy	
2.	
3. Mary L Murphy	
4.	
Additional Names on page of document.	
Legal Description (abbreviated i.e. lot, block, plat or section, township, range)	
THE EAST 250 FEET MORE OR LESS OF LOT 1 SHORT PLAT # 95-040 AKA # 9701100062 PORTION LOT 1 SHORT PLAT # 95-040 A.F.# 9701100062 EXCEPT THE EAST 250 FEET MORE OR LESS LOCATED IN + HC SE 1/4 SW 1/4	
Additional legal is on page of document.	
Assessor's Property Tax Parcel/Account Number	
P. 48733 + P. 21110	
The Auditor/Recorder will rely on information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.	



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Skagit County Auditor



November 9, 2007

Mary Murphy
4145 Chuckanut
Bow, WA 98232

RE: Work Order Evaluation 5998 Cedar Drive Bow, WA

Dear Mary:

At your request, a visual evaluation was conducted on November 9, 2007 as to the condition and repairs made to the above reference property since the original inspection conducted on November 3. Only those items mentioned in this report were evaluated. This report reflects the visual conditions of the evaluated items at the time of the inspection only. Hidden or concealed defects cannot be included in this report. No warranty is either expressed or implied. This report is not an insurance policy, nor a warranty service. An earnest effort was made on your behalf to discover all repairs or replacements which occurred since the initial inspection.

Is beyond the scope of this report to ascertain the durability or appropriateness of any completed repairs, or how long they will last in the future. In the event of an oversight, maximum liability must be limited to the fee paid. The following is an opinion report, expressed as a result of the inspection.

Items are listed in order of the original inspection summary page.

Items Evaluated and Conditions Found:

- MLM OKAY 1.* Exterior Walls: The caulking of the siding nail heads is complete. One more coat of paint should be applied over the caulking.
 - MLM OKAY 2.* Exterior Trim: The missing sections of the rim joist under the deck are replaced. The wood is not primed or painted, suggest priming and painting.
 - MLM OKAY 3.* Deck: The top rail of the deck handrails is installed. The deck columns are strapped to the beams. The owner was in the process of installing the 3/8" lag bolts through the deck ledger board at time of inspection. The additional baluster/railing support was not installed. *NO*
 - MLM OKAY 4.* Gutters & Downspouts: The missing downspout is installed. Splash pad were not installed to direct water away from the foundation. *BRACKETS?*
 - MLM OKAY 5.* Windows: All window screens are now present.
 - MLM OKAY 6.* Interior Doors: The door knobs were being installed at time of inspection.
 - MLM OKAY 7.* Bathrooms: The bathtub faucet is now secured to the wall. The vanity is now secured to the wall. The "S" trap was not replaced. The master bathroom shower is fully installed and tested. The leak under the master bathroom sink is repaired. The basement bathroom sink now drains properly.
 - MLM OKAY 8.* Kitchens: the kitchen faucet is now fully installed and operational. The cooktop is not repaired, waiting on parts. *(TO BE INSTALLED BY PROFESSIONAL)* *NO*
 - MLM OKAY 9.* Electrical: All electrical receptacle covers are now installed. The non-functioning receptacles are repaired and operating, the receptacle with reverse polarity in the kitchen is repaired.
 - MLM OKAY 10.* Smoke Detectors: New smoke detectors are installed, suggest testing regularly. *NO*
- * BUYERS APPROVE THE RESULTS OF THIS INSPECTION.*
- THIS WILL BE CONSIDERED THE FINAL INSPECTION REPORT BY BUYER AND*
- * BUYERS WAIVE ANY INSPECTION CONTINGENCIES*
- THAT MAY BE INVOLVED IN THIS PURCHASE* *NO* *SELLER*
- * UP TO ONE TANK-FULL (\$500 +/-)* *NO*

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RECITATION

WHEREAS: OWNER/SELLER, Mindy Osetak, desires to sell the property that is the subject of this agreement, and PURCHASER/TENANT, Mary Murphy, desires to purchase property that is the subject of this agreement; and

WHEREAS: PURCHASER/TENANT, Mary Murphy, is unable, at this time, to qualify for financing to effect said purchase; and

WHEREAS: The parties intent is to allow time for PURCHASER/TENANT, Mary Murphy to accumulate a down payment in order to effect said purchase;

NOW THEREFORE: The parties enter into the following agreement; to wit:

RESIDENTIAL LEASE WITH OPTION TO PURCHASE

Consisting of and upon the following **TERMS AND CONDITIONS**

RECEIVED FROM Mary Murphy, hereinafter referred to as PURCHASER/TENANT, the sum of Twenty Eight Thousand Five Hundred and no/100 Dollars (\$28,500.00), as a deposit which, upon acceptance of this Lease, the OWNER of the premises, Mindy Osetak hereinafter referred to as OWNER, shall apply said deposit as follows:

Nov. 14 2007 ~~2007~~ *MLM*

Three Thousand Five Hundred and no/100 Dollars (\$3,500.00) rent for the ~~term~~ period November 15, 2007 to December 14, 2007 for rent of the premises commonly known as 6888 Cedar Drive, Bow, Washington, 98232, Skagit County Washington, the legal description of which is:

15 MLM

010

Lot 1, Short Plat No. 95-040, approved January 8, 1997, recorded January 10, 1997 in Volume 12 of Short Plats, pages 178 to 180, inclusive, under Auditors File No. 9707100062 and being a portion of the Southeast 1/4 of the Southwest 1/4 of Section 35, Township 36 North, Range 3 East W.M. Situate in the County of Skagit, State of Washington.

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The balance of Twenty Five Thousand and no/100 Dollars (\$25,000.00) shall be applied as follows:

Ten Thousand and no/100 dollars (\$10,000) is a non refundable deposit to be applied to the purchase price of the residence in the event PURCHASER/TENANT exercises the option to purchase as more clearly delineated below. Fifteen Thousand and no/100 Dollars (\$15,000) is a damage deposit and will be applied to the purchase price of the residence in the event PURCHASER/TENANT exercises the option to purchase as more clearly delineated below.

TERM 1 1/2 Yrs MLM mo

The term hereof shall commence on November 15, 2007 and continue for a period of 36 months thereafter until November 15, 2010.

RENT 3,500 MLM mo

Rent shall be Three Thousand Five Hundred and no/100 Dollars (\$3,500.00) per month, payable in advance upon the 15th day of each calendar month to OWNER or her authorized agent, at the following address: 5884 Cedar Drive, Bow, Washington 98232 or at such other places as may be designated by OWNER from time to time. In the event rent is not paid within five (5) days after due date, TENANT agrees to pay a late charge of \$100.00. In addition, the PURCHASER/TENANT shall pay the sum of Ten Thousand and no/100 dollars (\$10,000.00) annually on or before November 15, 2008 and each successive November 15th during the term of the lease. Said annual payment shall be paid to OWNER or her authorized agent, at the following address: 5884 Cedar Drive, Bow, Washington 98232 or at such other places as may be designated by OWNER from time to time. These annual payments and One Thousand and no/100 dollars (\$1000.00) of the monthly rent shall be applied to the purchase price of the residence in the event PURCHASER/TENANT exercises the option to purchase as more clearly delineated below. In the event the PURCHASER/TENANT is unable or chooses not to exercise said option, the annual payment of Ten Thousand and no/100 dollars (\$10,000.00) and the entire monthly rent of Three Thousand Five Hundred and no/100 Dollars (\$3,500.00) will be considered to be rent by OWNER and is not refundable to PURCHASER/TENANT.

UTILITIES

PURCHASER/TENANT shall be responsible for the payment of all utilities and services, real estate taxes and insurance premiums.

USE

The premises shall be used as a residence with no more than N/A adults and N/A children, and for no other purpose, without the prior written consent of the OWNER.

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ORDINANCES AND STATUTES

PURCHASER/TENANT shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to the use of the premises.

ASSIGNMENTS AND SUBLETTING

PURCHASER/TENANT shall not assign or sublet any portion of the premises without prior written consent of the OWNER which may be not unreasonably withheld.

MAINTENANCE, REPAIRS OR ALTERATIONS

PURCHASER/TENANT shall at all times, maintain the premises in a clean and sanitary manner. PURCHASER/TENANT is responsible for all maintenance and repairs to the property. No alterations, improvements or additions to the property shall be undertaken by the PURCHASER/TENANT without the express written permission of the OWNER. In the event alterations, improvements or additions to the property are undertaken with the express written permission of the OWNER and in the event PURCHASER/TENANT exercises the option to purchase this property, then, in that event, any increase in the value of the property that occur as a result of said repairs, shall accrue to PURCHASER/TENANT. In the event alterations, improvements or additions to the property are undertaken with the express written permission of the OWNER and in the event PURCHASER/TENANT does not exercise the option to purchase this property, then, in that event, any increase in the value of the property that occur as a result of said repairs, shall accrue to OWNER.

ENTRY AND INSPECTION

OWNER shall enter the premises only with PURCHASER/TENANT's permission which shall not be unreasonably withheld.

INDEMNIFICATION

OWNER shall not be liable for any damage or injury to PURCHASER/TENANT, or any other person, or to any property, occurring on the premises, or any part thereof, unless such damage is the proximate result of the negligence or unlawful act of OWNER, her agents or her employees. PURCHASER/TENANT agrees to hold OWNER harmless from any claims for damages no matter how caused, except for injury or damages for which OWNER is legally responsible.

INSURANCE

OWNER shall maintain adequate property damage and liability insurance during the pendency of the lease and shall provide a copy of said insurance coverage to PURCHASER/TENANT. PURCHASER/TENANT shall reimburse OWNER for the premium and shall maintain "Renter's Insurance" during the pendency of the lease and shall provide OWNER a copy of said insurance coverage.

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POSSESSION

If OWNER is unable to deliver possession of the premises at the commencement hereof, OWNER shall not be liable for any damage caused thereby, nor shall this agreement be void or voidable, but PURCHASER/TENANT shall not be liable for any rent until possession is delivered. PURCHASER/TENANT may terminate this agreement if possession is not delivered within ten days of the commencement of the term hereof.

DEFAULT

If PURCHASER/TENANT shall fail to pay rent when due, or perform any term hereof, after not less than three days written notice of such default given in the manner required by law, the OWNER at her option, may terminate all rights of PURCHASER/TENANT hereunder, unless PURCHASER/TENANT within said time, shall cure such default. In the event of default by PURCHASER/TENANT, OWNER may elect to continue the lease in effect and enforce all her rights and remedies hereunder.

ATTORNEYS FEES

In any legal action brought by either party to enforce the terms hereof or relating to the demised premises, the prevailing party shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee.

NOTICES

Any notice which either party may or is required to give may be given by mailing the same, postage prepaid, to PURCHASER/TENANT at the premises or OWNER at 5884 Cedar Drive, Box, Washington 98732 or at such other places as may be designated by the parties from time to time.

HEIRS, ASSIGNS, SUCCESSORS

This lease is binding upon and inures to the benefit of heirs, assigns and successors in interest to the parties.

HOLDING OVER

This Lease may be extended past the option date by agreement of the parties.

OPTION

So long as PURCHASER/TENANT is not in default of the rent, and the three annual payments of Ten Thousand and no/100 dollars (\$10,000.00) and other valuable consideration, payable on or before November 14, 2010, PURCHASER/TENANT shall have the option to purchase the real property described herein for a PURCHASE PRICE

LEASE OPTION - 4

14
MLM ML



no
\$ 45,000.00 mo

MLM

no MLM

of Nine Hundred Fifty Thousand and no/100 Dollars (\$950,000.00) less Fifty Five Thousand and no/100 dollars (\$55,000.00) less One Thousand and no/100 dollars (\$1000.00) of each monthly rent paid during the term of the lease, based upon the following TERMS AND CONDITIONS:

no

PURCHASER/TENANT shall obtain conventional financing.

PURCHASER/TENANT is responsible for all property taxes and/or assessments until the date of closing.

ENCUMBRANCES

PURCHASER/TENANT shall take title to the property subject to 1) Real Estate Taxes not yet due and 2) Covenants, 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.

EXAMINATION OF TITLE

Fifteen (15) days from the date of exercise of this option are allowed for the **PURCHASER/TENANT** to examine the title to the property and to report in writing any valid objections therein. Any exceptions to the title which would be disclosed by examination of the records shall be deemed to have been accepted unless reported in writing within said 15 days. If **PURCHASER/TENANT** objects to any exceptions to the title, **OWNER** shall use all due diligence to remove such exceptions at her own expense within 90 days thereafter. But if such exceptions cannot be removed within the 90 days allowed, all rights and obligations hereunder may, at the election of the **PURCHASER/TENANT**, terminate and end, unless she elects to purchase the property subject to such exceptions.

EVIDENCE OF TITLE

Evidence of title shall be in the form of a policy of title insurance to be paid for by the **OWNER**. The balance of all closing costs with the exception of the Real Estate Excise Tax will be the responsibility of **PURCHASER/TENANT**.

CLOSE OF ESCROW

Within 120 days from exercise of the option, or upon removal of any exceptions to the title by the **OWNER**, as provided above, whichever is later, both parties shall deposit with an authorized escrow holder, to be selected by the **PURCHASER/TENANT** all funds and instruments necessary to complete the sale in accordance with the terms and conditions herein.

PRORATIONS

Rents, interest and other expenses of the property to be prorated as of

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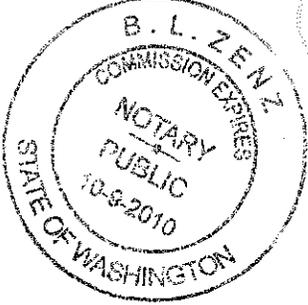
THE UNDERSIGNED OWNER HERESY ACKNOWLEDGES RECEIPT OF A COPY
HEREOF.

Mindy Osetek
MINDY OSETEK, OWNER

STATE OF WASHINGTON)
SKAGIT) ss.
County of Whatcom)

I CERTIFY that I know or have satisfactory evidence that Mindy Osetek signed
this instrument and acknowledged same to be her free and voluntary act for the uses and
purposes mentioned therein.

DATED this 21 day of Nov 2007



B.L. ZENZ
NOTARY PUBLIC in and for the State of
Washington, residing at Bellingham.

LEASE OPTION - 7

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11/24/2007 09:09 3607668837

BRETT HANSON

Form 34
Addendum/Amendment to P & S
Rev. 5/96
Page 1 of 1

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Northwest Multiple Listing Service
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ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated 11/29/2007
between Murphy ("Buyer")
and Castek ("Seller")
concerning 5998 Cedar Drive Bw. Wa. 98232 (the Property)

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

Seller agrees to allow Purchaser/ Tenant the following Credit's/ alterations/ Improvements to said premises.

1. Replacing front door. (Current door will be stored in garage)
2. Landscaping changes.
3. Removing topped trees Purchaser/ Tenant must comply with current Dept of Natural Resources Regulations.
4. Fencing Property.
5. Painting Exterior of Home.

6. Seller/Landlord agrees to reduce December 2007 rent amount by \$2,000.00 (Two Thousand dollar's) Total rent due from tenant for December 2007 to be (\$1,500.00 Fifteen hundred dollar's.)

All of the above alterations/ improvements to be performed by Purchaser/ Tenant at Their sole expense.

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

AGENT (COMPANY) Preview Properties Skagit L.L.C.

BY: [Signature]

Initials: BUYER: MLM DATE: 11-29-07 SELLER: MC DATE: 11-29-07
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____



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ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated 11/20/07 1
between Murphy ("Buyer") 2
and Osetek ("Seller") 3
concerning 5998 Cedar Dr Bow, Wa 98232 ("the Property") 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS: 5

Seller will pay a commission to the listing office (Northwest Properties Aiken & Associates) of \$34,500 6
based on a sale price of \$950,000 when the option to purchase has been exercised by the Murphy's, and the sale 7
has been recorded. The commission will be disbursed by the listing office to the selling office (Preview 8
Properties) as per the terms of the listing agreement (dated 07/30/07 NWMLS #27138623) 9
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(BRETT HANSON) 13
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ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 41

AGENT (COMPANY) Northwest Properties Aiken & Associates 42

BY: [Signature] 43

Initials: BUYER: [Signature] DATE: _____ SELLER: [Signature] DATE: 11/21/2007 44
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 45

NOV 21 2007 WED 11:33 AM GUARDIAN NW TITLE

FAX No. 360 404 2001

P.004

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Additional Attachments to PLS

ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement dated 11/20/07 (Buyer) 2
between [Redacted] (Seller) 3
concerning 5998 Cedar Dr. B01, Wa 98232 (the Property) 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

Seller will pay a commission to the listing office (Northwest Properties Aiken & Associates) of \$34,500
at the time of sale price of \$950,000 when the option to purchase has been exercised by the Murphy's, and the sale
has been recorded. The commission will be disbursed by the listing office to the selling office (Preview
Properties) as per the terms of the listing agreement (dated 07/30/07 NWMLS #27138623)

(BRETT HANSON)

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

AGENT (COMPANY) Northwest Properties Aiken & Associates

BY: [Signature]

BUYER: [Signature] DATE: _____ SELLER: [Signature] DATE: 11/21/2007
BUYER: MLM DATE: _____ SELLER: _____ DATE: _____



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