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Skagit County Auditor

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REAL ESTATE CONTRACT

THIS REAL ESTATE CONTRACT is made this 11th day of August, 2009, by and between BONNIE GREENE, a married person as her separate property, who took title as BONNIE BYHAM, hereinafter called the "SELLER" and JANE R. BECHTLOFF, an unmarried person; ROBERT J. BECHTLOFF, Jr., an unmarried person; and RYAN D. BECHTLOFF, as his separate property, hereinafter called the "PURCHASER."

WITNESSETH: The SELLER agrees to sell to the PURCHASER, and the PURCHASER agrees to purchase of the SELLER the following described real estate, situate in Skagit County, Washington:

Lots 86 and 87, "Cascade River Park Div. No. 3", as per plat recorded in Volume 9 of Plats, pages 22-24, records of Skagit County, Washington

(P63959; P63960)

Commonly known as 63284 High Ridge Drive, Marblemount, WA 98267.

The terms and conditions of this contract are as follows: The purchase price of the above-described property is Fifty Five Thousand Dollars (\$55,000) of which the sum of One Thousand Dollars (\$1,000) has been paid, the receipt of which is hereby acknowledged. The balance of the purchase price in the sum of Fifty Four Thousand Dollars (\$54,000), with interest at the rate of 3% per annum on the declining principal balance shall be paid as follows:

Five Hundred Twenty One Dollars and Forty Three Cents (\$521.43) - or more - on the Fifth day of September, 2009, and a like sum - or more - on the Fifth day of each and every month thereafter until September 5th, 2019, on which date the entire outstanding balance of principal, interest and other charges then due shall be payable in full.

All payments to be made hereunder shall be made to a contract collection account, established or to be established at Skagit State Bank, Ferry St. Branch, Sedro-Woolley, Wash., or at any other place as the SELLER may direct in writing.

It is further agreed as follows:

1. The PURCHASER assumes and agrees to pay before delinquency all taxes and Cascade River Community Club assessments that may as between grantor and grantee hereafter become a lien on the said real estate.
2. The PURCHASER agrees that full inspection of said real estate has been made and that neither the SELLER nor her assigns shall be held to any covenant respecting the condition of any

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improvements thereon. That the SELLER states that the condition of the property may not be in accordance with the city building code and regulations, and the PURCHASER is aware of that fact.

3. 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 SELLER and applied as payment on the purchase price herein unless the SELLER elects 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 of rebuilding of such improvements within a reasonable time, unless PURCHASER elects that said proceeds shall be paid to the SELLER for application on the purchase price herein.

4. The parties agree that no obligation to provide title insurance will be required of SELLER, although PURCHASER may obtain a policy at its expense if PURCHASER desires.

5. The SELLER agrees, 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, free of encumbrances except any that may attach after date of closing through any person other than the SELLERS.

6. The PURCHASER shall be entitled to possession of said real estate on closing and to retain possession as long as the PURCHASER is not in default hereunder. The PURCHASER covenants to keep the buildings and other improvements in good repair, 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.

7. In case the PURCHASER fails to make any payment or pay taxes herein provided, as herein required, the SELLER may make such payment or effect such insurance, and any amounts so paid by the SELLER, together with interest at the rate of 12% per annum thereon from date of payment until repaid, shall be repayable by PURCHASER on SELLER's demand, all without prejudice to any other right the SELLER might have by reason of such default.

8. 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 take one or more of the following courses of action:

(a) Suit for Delinquencies. The SELLER may institute suit for any amounts or other sums due and payable under this contract as of the date of the judgment any sums which have been advanced by SELLER as of said date pursuant to the provisions of this contract, and any other



damages incurred by the SELLER which are caused by the PURCHASER'S failure to comply with any provision or agreement herein; together with interest on all of said amounts at the rate of 12% per annum from the date each such amount was advanced or due, as the case may be, to and including the date of collection;

(b) Acceleration. Upon giving the PURCHASER not less than fifteen (15) days' written notice of its intent to do so (within which time any monetary default may be cured without regard to the acceleration), and if the default is in the nature of a failure to timely pay any principal, interest, insurance premium, tax, or other sum of money required to be paid herein or any failure to obtain any consent of the SELLER herein required for a conveyance or encumbrance of the PURCHASER'S title to the Property, or PURCHASER commits waste on the Property, the SELLER may declare the entire unpaid balance of the Purchase Price and all interest then due thereon to be immediately due and payable and institute suit to collect such amounts, together with any sums advanced by the SELLER pursuant to the provisions of this contract, and together with interest on all of said sums at the rate of 12% per annum from the due date or date of each such advance to and including the date of collection;

(c) Forfeiture and Repossession. The SELLER may cancel and render void all rights, titles and interests of the PURCHASER and its successors in this contract and in the Property (including all of PURCHASER'S then existing rights, interests and estates therein and timber, crops, fixtures and improvements thereon) by giving a Notice of Intent to Forfeit pursuant to RCW 61.30.040-070, and said cancellation and forfeiture shall become effective if the default therein specified has not been fully cured within ninety (90) days thereafter and the SELLER records a Declaration of Forfeiture pursuant to RCW 61.30.040-070. The entire balance of such sums due and to become due under this contract shall be paid from the proceeds of any sale ordered by a court pursuant to RCW 61.30.120, including interest at the rate of 12% per annum to and include the sale date and all expenses incurred by the SELLER as a result of such sale. Upon the forfeiture of this contract the SELLER may retain all payments made hereunder by the PURCHASER and may take possession of the Property ten (10) days following the date this contract is forfeited and summarily eject the PURCHASER and any person or persons having possession of the said Property by, through or under the PURCHASER who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture. If the PURCHASER or any person or persons claiming by, through or under the PURCHASER who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture remain in possession of the Property more than ten (10) days after such forfeiture, the PURCHASER, or such person or persons, shall be deemed tenants at will of the SELLER and the SELLER shall be entitled to institute an action for summary possession of the Property, and may recover from the PURCHASER or such person or persons in any such proceedings the fair rental value of the Property for the use thereof from and after the date of forfeiture, plus costs, including the SELLER's reasonable attorney's fees. To the extent permitted by applicable statute, the SELLER shall have the right to obtain a deficiency against the PURCHASER following the forfeiture of this contract for damages caused by waste to the Property.

(d) Judicial Foreclosure. To the extent permitted by any applicable statute, the SELLER

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may judicially foreclose this contract as a mortgage, and in connection therewith, may accelerate all of the debt due under this contract if the defaults upon which such action is based are not cured within fifteen (15) days following the SELLER's written notice to the PURCHASER which specifies such defaults and the acts required to cure the same (within which time any monetary default may be cured without regard to the acceleration); provided, however, such cure period shall be extended for up to thirty (30) additional days to the extent reasonably necessary to complete the cure of a nonmonetary default if the PURCHASER commences such cure within fifteen (15) days following the SELLER's notice and pursues it with due diligence. The SELLER may, but shall not be required, to waive any right to a deficiency judgment in its foreclosure complaint. The PURCHASER at any foreclosure sale may (but shall not be obligated to), during any redemption period, make such repairs and alterations to the Property as may be reasonably necessary for the proper operation, use, preservation and protection thereof; pay any taxes and assessments due during such period; insure the Property against loss by casualty; and pay utility bills, liens not extinguished by the foreclosure and other amounts relating to the Property to the extent due during such redemption period, and all of such expenses and payments, together with interest thereon from the date paid to reimbursement at the rate provided by statute for any other redemption amounts, shall be included in the amount required to be paid by any person to redeem the Property.

(e) Specific Performance. The SELLER may institute suit to specifically enforce any of the PURCHASER's covenants hereunder, and the same may include redress by mandatory or prohibitive injunction.

9. 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 to their address last known to the SELLER.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

IN WITNESS WHEREOF the parties have signed and sealed this contract the day and year first above written.

Bonnie Greene
BONNIE GREENE

Robert J. Bechtloff, Jr.
ROBERT J. BECHTLOFF, Jr.

Jane R. Bechtloff
JANE R. BECHTLOFF

Ryan D. Bechtloff
RYAN D. BECHTLOFF
by Jane R. Bechtloff
his attorney in fact

STATE OF WASHINGTON)
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Skagit County Auditor

COUNTY OF SKAGIT)

On this day personally appeared before me Bonnie Greene, to me known to be one of the individuals described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 11 day of August, 2009.



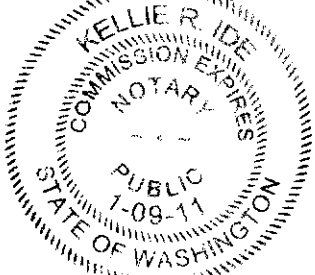
Jamie Leigh Hammontree
NOTARY PUBLIC in and for the State of Washington, residing at Skagit
My commission expires: 08 01 2012
Name: Jamie Leigh Hammontree

STATE OF WASHINGTON)

COUNTY OF SKAGIT Snohomish)

On this day personally appeared before me Jane R. Bechtloff, to me known to be one of the individuals described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 7th day of August, 2009.



Kellie R. Ide
NOTARY PUBLIC in and for the State of Washington, residing at Bothell
My commission expires: 1/9/2011
Name: Kellie R. Ide

STATE OF WASHINGTON)

COUNTY OF SKAGIT)

On this day personally appeared before me Robert J. Bechtloff, Jr., to me known to be one of the individuals 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 11 day of August, 2009.



Jamie Leigh Hammontree
NOTARY PUBLIC in and for the State of Washington, residing at Skagit
My commission expires: 08 01 2012
Name: Jamie Leigh Hammontree

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

2540
AUG 20 2009

Amount Paid \$ 984.00
Skagit Co. Treasurer
By man Deputy

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Skagit County Auditor

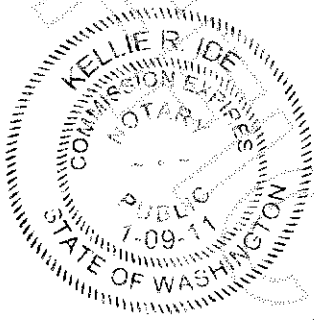
STATE OF WASHINGTON)

:SS

COUNTY OF ~~SKAGIT~~ Snohomish (en)

On this day personally appeared before me Jane R. Bechtloff, holder of a Power of Attorney granted by Ryan D. Bechtloff, and who executed the within and foregoing instrument, and acknowledged that she signed the same on behalf of the said principal for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 7th day of August, 2009.



Kellie Ide

NOTARY PUBLIC in and for the State of Washington, residing at Bohler

My commission expires: 7/9/2011

Name: Kellie Ide



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Skagit County Auditor