

Filed for Record at the Request of:

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1101 Eighth Street, Suite A  
Anacortes, WA 98221



201009080032  
Skagit County Auditor

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DOCUMENT TITLE: Community Property Affidavit  
GRANTOR: Kathleen R. Cleland, Deceased, Daniel H. Farmer  
GRANTEE: The Public  
ABBREV. LEGAL DESCR.: ANACORTES LOTS 9 & 10 BLK 129  
ASSESSOR'S TAX/PARCEL ID: 3772-129-010-0013 / P55829

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## COMMUNITY PROPERTY AFFIDAVIT

STATE OF WASHINGTON     )  
  )     ss.  
COUNTY OF SKAGIT     )

DANIEL H. FARMER, being first duly sworn, upon oath deposes and says:

1. I am the surviving spouse of KATHLEEN R. CLELAND ("Decedent"), who died August 5, 2010 at Anacortes, Washington. At that time and at all other relevant times, Decedent and I were residents of Anacortes, Skagit County, Washington.
2. On April 26, 2007, Decedent and I, while married, executed an agreement entitled *COMMUNITY PROPERTY AGREEMENT* ("the Agreement"). The Agreement provides that all property owned at the time of the Agreement or thereafter acquired by either or both spouses (other than assets with separate beneficiary designations) becomes community property at the death of the first spouse, and vests in the surviving spouse at the moment of the first spouse's death. We were legally competent at the time of the Agreement and have executed no subsequent Wills or other instruments that would have the effect of abrogating or nullifying the Agreement.
4. At the time of the Agreement and at the time of Decedent's death, we owned community property including the following described real estate:

Lots 9 and 10, Block 129, "MAP OF THE CITY OF ANACORTES, SKAGIT COUNTY, WASHINGTON", as per plat recorded in Volume 2 of Plats, page 4, records of Skagit County

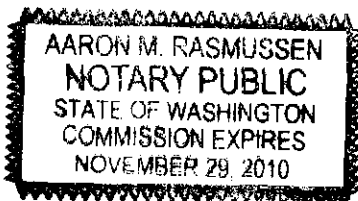
Situate in the City of Anacortes, County of Skagit, State of Washington.

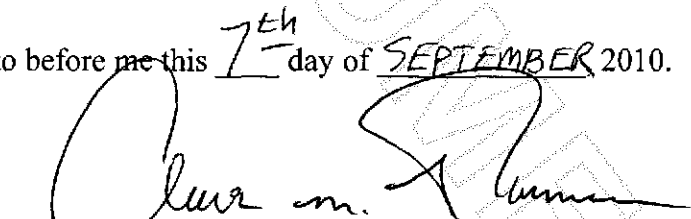
5. All expenses of Decedent's funeral have been paid. All other obligations of Decedent and of our former marital community are current, including our home mortgage, and payments continue to be made as they fall due. I understand that I have complete responsibility for any and all just debts of the marital community existing at the time of Decedent's death, including the expenses of Decedent's last illness, and intend to satisfy such debts at such time as they fall due.
6. Decedent's Will has been filed with the Clerk of the Superior Court of Skagit County, under File Number 10-4-00302-9, in accordance with the Washington Probate Code. The Will designates me as 100% beneficiary of Decedent's estate. I currently do not intend to commence probate proceedings regarding Decedent's estate.
7. Decedent's estate is not subject to Washington State or United States transfer taxes, because its fair market value as of the date of Decedent's death was below the applicable exemption thresholds in effect at that time.
8. This affidavit is made to induce any and all title insurance companies to issue policies of title insurance on real property, particularly the above described parcel, passing to me as the surviving spouse, whether acquired as community property or converted to community property by operation of the Agreement, in reliance upon the representations herein set forth. This affidavit is also made to induce transfer agents or other persons holding property registered in the name of Decedent to surrender such property to me on the basis that the Agreement provides that such property vested in my ownership at the time of Decedent's death.

SIGNED AT ANACORTES, WASHINGTON this 7<sup>th</sup> day of SEPTEMBER, 2010.

  
DANIEL H. FARMER

SUBSCRIBED and SWORN (or affirmed) to before me this 7<sup>th</sup> day of SEPTEMBER 2010.



  
NOTARY PUBLIC in and for the State of  
Washington, residing at Anacortes.  
My appointment expires 11-29-10.



WHEN RECORDED RETURN TO:

JAMES E. ANDERSON P.S.  
P.O. BOX 727  
ANACORTES, WA 98221

### COMMUNITY PROPERTY AGREEMENT

AGREEMENT made this 26 day of APRIL, 2007, between DANIEL H. FARMER and KATHLEEN R. CLELAND, husband and wife, both of whom are domiciled in the State of Washington. In consideration of their mutual agreements set forth below, the parties agree as follows:

**1. Property Covered:** This Agreement shall apply to all community property now owned or hereafter acquired by Husband and Wife (except for assets for which a separate beneficiary designation has been or is hereafter made by Husband or Wife and approved by the other spouse) even though some items may have been or may be purchased or acquired by one or the other or both or may have been or may be registered in the name of one or the other or both. If Husband dies and Wife survives, any separate property of Husband which is owned by Husband at the time of his death (except for assets for which Husband has made a separate beneficiary designation other than by Will) shall become and be considered community property vested as of the moment of his death, and if Wife dies and husband survives her, any separate property of Wife which is owned by Wife at the time of her death (except for assets for which Wife has made a separate beneficiary designation other than by Will) shall become and be considered community property vested as of the moment of her death. All such property is referred to in this Agreement as the "described community property".

**2. Vesting at Death of a Spouse:** If Husband dies and Wife survives him, all of the described community property shall vest in Wife as of the moment of Husband's death. If Wife dies and Husband survives her, all of the described community property shall vest in Husband as of the moment of Wife's death.

**3. Disclaimer:** Upon the death of either spouse, the surviving spouse may disclaim any interest passing under this Agreement, in whole or in part, or with reference to specific parts, shares, or assets thereof, in which event the interest disclaimed shall pass as if the provisions of paragraph 2 had been revoked as to such interest with the surviving spouse entitled to the benefits provided by any alternate disposition.

**4. Automatic Revocation:** The provisions of paragraph 2 shall be automatically revoked:

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a. Upon the filing by either party of a petition, complaint, or other pleading for separation, dissolution, or divorce; or

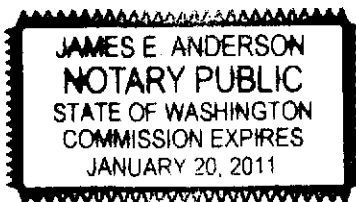
b. Upon the establishment of a domicile out of the State of Washington by either party;  
or

c. Immediately prior to death if the order of death can not be ascertained.

**5. Optional Revocation by One Party:** If either party becomes incapacitated, the other party shall have the power to terminate the provisions of paragraph 2 and each party designates the other as attorney-in-fact to become effective upon incapacity to exercise such power. The termination shall be effective upon the delivery of written notice thereof to the incapacitated spouse and to the guardians, if any, of the person and of the estate of the incapacitated person. For the purposes of this paragraph, a spouse shall be deemed incapacitated if a person duly licensed to practice medicine in the State of Washington signs a statement declaring that the person is unable to manage his or her own property or financial affairs.

**6. Powers of Appointment:** This Agreement shall not affect any power of appointment now held by or hereafter given to Husband or Wife or both of them, nor shall it obligate Husband or Wife or both of them to exercise any such power of appointment in any way.

**7. Revocation of Inconsistent Agreements:** To the extent this Agreement is inconsistent with any provisions of any community property agreement or other arrangement previously made by the parties that affects the described community property, the terms of this Agreement shall be deemed to revoke such prior provisions to the extent of the inconsistency.



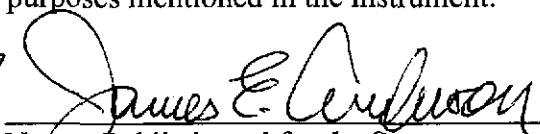
  
DANIEL H. FARMER

  
KATHLEEN R. CLELAND

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF SKAGIT )

I certify that I know or have satisfactory evidence that DANIEL H. FARMER and KATHLEEN R. CLELAND signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: APRIL 26, 2007

  
Notary Public in and for the State  
of Washington, residing at Anacortes

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