



201501120126

Skagit County Auditor

\$141.00

1/12/2015 Page

1 of

20 3:10PM

Document Title:

Real Estate Contract

Reference Number:

Grantor(s):

☐ additional grantor names on page ____

1. Curtis Dougherty

2. Jacquelyn Dougherty

#151202-OE

Land Title and Escrow

Grantee(s):

☐ additional grantee names on page ____

1. David Lawrence

2. Tracy Lawrence

Land Title and Escrow

Abbreviated legal description:

☐ full legal on page(s) ____

ptn SE 1/4 of NW 1/4, 27-35-4 E W.M. (aka Lot C, Short
Card #PL-0339)

Assessor Parcel / Tax ID Number:

☐ additional tax parcel number(s) on page ____

4927-000-002-0000
P126123

I, Christi P. Straathof, 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 \$72.00 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

Dated

1-12-2015

When recorded return to:

Land Title and Escrow
P.O. Box 445, 111 East George Hopper Road
Burlington, WA 98233

Filed for Record at Request of
Land Title and Escrow
Escrow Number: 151202-OE ✓

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

2015-113
JAN 12 2015

Grantor: Curtis Dougherty and Jacquelyn Dougherty
Grantee: David Lawrence and Tracy Lawrence

Amount Paid \$ 352.¹⁰
Skagit Co. Treasurer
By *mm* Deputy

Land Title and Escrow

REAL ESTATE CONTRACT (RESIDENTIAL SHORT FORM)

ANY OPTIONAL PROVISION NOT INITIALED BY ALL PERSONS SIGNING THIS CONTRACT --
WHETHER INDIVIDUALLY OR AS AN OFFICER OR AGENT -- IS NOT A PART OF THIS
CONTRACT.

1. PARTIES AND DATE. This Contract is entered into on January 9, 2015 between
CURTIS DOUGHERTY and JACQUELYN DOUGHERTY, husband and wife as "Seller" and
DAVID LAWRENCE and TRACY LAWRENCE, husband and wife as "Purchaser."

2. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Purchaser and Purchaser agrees to purchase
from

Seller the following described real estate in Skagit County, State of Washington:

Abbreviated Legal: Ptn SE ¼ of NW ¼, 27-35-4 E-W.M. (Aka Lot C, Short Card #PL-0339)

See Attached Exhibit "A"

Also subject to Exhibit "B" – Amendment to paragraphs 8, 12, 14 and 34 of this Real Estate Contract

Tax Parcel Number(s): 4927-000-002-0000, P126123

3. PERSONAL PROPERTY. Personal property, if any, included in the sale is as follows:

No part of the purchase price is attributed to personal property.

4. (a) PRICE. Purchaser agrees to pay:

	\$	<u>19,500.00</u>	Total Price
Less	\$	<u>-0-</u>	Down Payment
Less	\$	<u>-0-</u>	Assumed Obligation (s)
Results in	\$	<u>19,500.00</u>	Amount Financed by Seller.

(b) ASSUMED OBLIGATIONS. Purchaser agrees to pay the above Assumed Obligation(s)
by

assuming and agreeing to pay that certain

dated

N/A

N/A

(Mortgage, Deed of Trust, Contract)

recorded as AF#

Seller warrants the unpaid balance of said obligation is

N/A

\$ N/A which is payable \$ N/A on or before the N/A
day of N/A, N/A interest at the rate of
N/A % per annum on the declining balance thereof; and a like amount on or before the
N/A day of each and every N/A thereafter until paid in full.

Note: Fill in the date in the following two lines only if there is an early cash out date.

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS
DUE IN FULL NOT LATER THAN N/A

ANY ADDITIONAL ASSUMED OBLIGATIONS ARE INCLUDED IN ADDENDUM.



201501120126

Skagit County Auditor

1/12/2015 Page

2 of

\$141.00

20 3:10PM

(c) PAYMENT OF AMOUNT FINANCED BY SELLER.

Purchaser agrees to pay the sum of \$ 19,500.00 as follows:
\$ 367.99 or more at purchaser's option on or before the 12th day of February, ,
2015

Including interest from January 12, at the rate of Five(5.0) % per annum
2015

on the declining balance thereof; and a like amount or more on or before the 9th day of each
and every Month thereafter until paid in full. 12th

Note: Fill in the date in the following two lines only if there is an early cash out date.

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS
DUE IN FULL NOT LATER THAN January 12, 2020.

Payments are applied first to interest and then to principal. Payments shall be made at
1610 Florence Street, Mount Vernon, WA 98273

or such other place as the Seller may hereafter indicate in writing.

5. FAILURE TO MAKE PAYMENTS ON ASSUMED OBLIGATIONS. If Purchaser fails to make any payments on assumed obligation(s), Seller may give written notice to Purchaser that unless Purchaser makes the delinquent payment(s) within fifteen (15) days, Seller will make the payment(s), together with any late charge, additional interest, penalties, and costs assessed by the Holder of the assumed obligation(s). The 15-day period may be shortened to avoid the exercise of any remedy by the Holder of the assumed obligation(s). Purchaser shall immediately after such payment by Seller reimburse Seller for the amount of such payment plus a late charge equal to five percent (5%) of the amount so paid plus all costs and attorneys' fees incurred by Seller in connection with making such payment.

6. (a) OBLIGATIONS TO BE PAID BY SELLER. The Seller agrees to continue to pay from payments received hereunder the following obligation, which obligation must be paid in full when Purchaser pays the purchase price in full:

That certain N/A dated N/A
Recorded as AF # N/A

ANY ADDITIONAL OBLIGATION TO BE PAID BY SELLER ARE INCLUDED IN ADDENDUM.

(b) EQUITY OF SELLER PAID IN FULL. If the balance owed the Seller on the purchase price herein becomes equal to the balance owed on prior encumbrances being paid by Seller, Purchaser will be deemed to have assumed said encumbrances as of that date. Purchaser shall thereafter make payments direct to the holders of said encumbrances and make no further payments to Seller. Seller shall at that time deliver to Purchaser a fulfillment deed in accordance with the provisions of Paragraph 8.

(c) FAILURE OF SELLER TO MAKE PAYMENTS ON PRIOR ENCUMBRANCES. If Seller fails to make any payments on any prior encumbrance, Purchaser may give written notice to Seller that unless Seller makes the delinquent payments within 15 days, Purchaser will make the payments together with any late charge, additional interest, penalties, and costs assessed by the holder of the prior encumbrance. The 15-day period may be shortened to avoid the exercise of any remedy by the holder of the prior encumbrance. Purchaser may deduct the amounts so paid plus a late charge of 5% of the amount so paid and any attorneys' fees and costs incurred by Purchaser in connection with the delinquency from payments next becoming due Seller on the purchase price. In the event Purchaser makes such delinquent payments on three occasions, Purchaser shall have the right to make all payments due thereafter directly to the holder of such prior encumbrance and deduct the then balance owing on such prior encumbrance from the then balance owing on the purchase price and reduce periodic payments on the balance due Seller by the payments called for in such prior encumbrance as such payments become due.

7. OTHER ENCUMBRANCES AGAINST THE PROPERTY. The property is subject to encumbrances including the following listed tenancies, easements, restrictions, and reservations in addition to the obligations assumed by Purchaser and the obligations being paid by Seller:

ANY ADDITIONAL NON-MONETARY ENCUMBRANCES ARE INCLUDED IN ADDENDUM.

8. FULFILLMENT DEED. Upon payment of all amounts due Seller, Seller agrees to deliver to Purchaser a Statutory Warranty Deed in fulfillment of this Contract. The covenants of warranty in said deed shall not apply to any encumbrances assumed by Purchaser or to defects in title arising subsequent to the date of this Contract by, through, or under persons other than the Seller herein. Any personal property included in the sale shall be included in the fulfillment deed.

9. LATE CHARGES. If any payment on the purchase price is not made within 10 days after the date it is due, Purchaser agrees to pay a late charge equal to 5% of the amount of such payment. Such late payment charge shall be in addition to all other remedies available to Seller and the first amounts received from Purchaser after such late charges are due shall be applied to the late charges.



201501120126

10. NO ADVERSE EFFECT ON PRIOR ENCUMBRANCES. Seller warrants that entry into this Contract will not cause in any prior encumbrance (a) a breach, (b) accelerated payments, or (c) an increased interest rate; unless (a), (b), or (c) has been consented to by Purchaser in writing.

11. POSSESSION. Purchaser is entitled to possession of the property from and after the date of this Contract or _____, whichever is later, subject to any tenancies described in Paragraph 7.

12. TAXES, ASSESSMENTS, AND UTILITY LIENS. Purchaser agrees to pay by the date due all taxes and assessments becoming a lien against the property after the date of this Contract. Purchaser may in good faith contest any such taxes or assessments so long as no forfeiture or sale of the property is threatened as the result of such contest. Purchaser agrees to pay when due any utility charges which may become liens superior to Seller's interest under this Contract. If real estate taxes and penalties are assessed against the property subsequent to date of this Contract because of a change in use prior to the date of this Contract for Open Space, Farm, Agricultural, or Timber classifications approved by the County or because of a Senior Citizen's Declaration to Defer Property Taxes filed prior to the date of this Contract, Purchaser may demand in writing payment of such taxes and penalties within 30 days. If payment is not made, Purchaser may pay and deduct the amount thereof plus 5% penalty from the payments next becoming due Seller under the Contract.

13. INSURANCE. Purchaser agrees to keep all buildings now or hereafter erected on the property described herein continuously insured under fire and extended coverage policies in an amount not less than the balances owed on obligations assumed by Purchaser plus the balance due Seller, or full insurable value, whichever is lower. All policies shall be held by the Seller and be in such companies as the Seller may approve and have loss payable first to any holders of underlying encumbrances, then to Seller as their interests may appear and then to Purchaser. Purchaser may within 30 days after loss negotiate a contract to substantially restore the premises to their condition before the loss. If the insurance proceeds are sufficient to pay the contract price for restoration or if the Purchaser deposits in escrow any deficiency with instructions to apply the funds on the restoration contract, the property shall be restored unless the underlying encumbrances provide otherwise. Otherwise the amount collected under any insurance policy shall be applied upon any amounts due hereunder in such order as the Seller shall determine. In the event of forfeiture, all rights of Purchaser in insurance policies then in force shall pass to Seller.

14. NONPAYMENT OF TAXES, INSURANCE, AND UTILITIES CONSTITUTING LIENS. If Purchaser fails to pay taxes or assessments, insurance premiums, or utility charges constituting liens prior to Seller's interest under this Contract, Seller may pay such items and Purchaser shall forthwith pay Seller the amount thereof plus a late charge of 5% of the amount thereof plus any costs and attorney's fees incurred in connection with making such payment.

15. CONDITION OF PROPERTY. Purchaser accepts the property in its present condition and acknowledges that Seller, his agents, and subagents have made no representation or warranty concerning the physical condition of the property or the uses to which it may be put other than as set forth herein. Purchaser agrees to maintain the property in such condition as complies with all applicable laws.

16. RISK OF LOSS. Purchaser shall bear the risk of loss for destruction or condemnation of the property. Any such loss shall not relieve Purchaser from any of Purchaser's obligations pursuant to this Contract.

17. WASTE. Purchaser shall keep the property in good repair and shall not commit or suffer waste or willful damage to or destruction of the property. Purchaser shall not remove commercial timber without the written consent of Seller.

18. AGRICULTURAL USE. If this property is to be used principally for agricultural purposes, Purchaser agrees to conduct farm and livestock operations in accordance with good husbandry practices. In the event a forfeiture action is instituted, Purchaser consents to Seller's entry on the premises to take any reasonable action to conserve soil, crops, trees, and livestock.

19. CONDEMNATION. Seller and Purchaser may each appear as owners of an interest in the property in any action concerning condemnation of any part of the property. Purchaser may within 30 days after condemnation and removal of improvements, negotiate a contract to substantially restore the premises to their condition before the removal. If the condemnation proceeds are sufficient to pay the contract price for restoration or if the Purchaser deposits in escrow any deficiency with instructions to apply the funds on the restoration contract, the property shall be restored unless underlying encumbrances provide otherwise. Otherwise, proceeds of the award shall be applied in payment of the balance due on the purchase price, as Seller may direct.

20. DEFAULT. If the Purchaser fails to observe or perform any term, covenant, or condition of this Contract, Seller may:

(a) Suit for Installments. Sue for any delinquent periodic payment; or



201501120126

(b) Specific Performance. Sue for specific performance of any of Purchaser's obligations pursuant to this Contract; or

(c) Forfeit Purchaser's Interest. Forfeit this Contract pursuant to Ch: 61.30, RCW, as it is presently enacted and may hereafter be amended. The effect of such forfeiture includes: (i) all right, title, and interest in the property of the Purchaser and all persons claiming through the Purchaser shall be terminated; (ii) the Purchaser's rights under the Contract shall be cancelled; (iii) all sums previously paid under the Contract shall belong to and be retained by the Seller or other person to whom paid and entitled thereto; (iv) all improvements made to and unharvested crops on the property shall belong to the Seller; and (v) Purchaser shall be required to surrender possession of the property, improvements, and unharvested crops to the Seller 10 days after the forfeiture.

(d) Acceleration of Balance Due. Give Purchaser written notice demanding payment of said delinquencies and payment of a late charge of 5% of the amount of such delinquent payments and payment of Seller's reasonable attorney's fees and costs incurred for services in preparing and sending such Notice and stating that if payment pursuant to said Notice is not received within thirty (30) days after the date said Notice is either deposited in the mail addressed to the Purchaser or personally delivered to the Purchaser, the entire balance owing, including interest, will become immediately due and payable. Seller may thereupon institute suit for payment of such balance, interest, late charge, and reasonable attorneys' fees and costs.

(e) Judicial Foreclosure. Sue to foreclose this contract as a mortgage, in which event Purchaser may be liable for a deficiency.

21. RECEIVER. If Seller has instituted any proceedings specified in Paragraph 20 and Purchaser is receiving rental or other income from the property, Purchaser agrees that the appointment of a receiver for the property is necessary to protect Seller's interest.

22. PURCHASER'S REMEDY FOR SELLER'S DEFAULT. If Seller fails to observe or perform any term, covenant, or condition of this Contract, Purchaser may, after 30 days' written notice to Seller, institute suit for damages or specific performance unless the breaches designated in said notice are cured.

23. NON-WAIVER. Failure of either party to insist upon strict performance of the other party's obligations hereunder shall not be construed as a waiver of strict performance thereafter of all of the other party's obligations hereunder and shall not prejudice any remedies as provided herein.

24. ATTORNEYS' FEES AND COSTS. In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorney's fees and costs, including costs of service of notices and title searches, incurred by the other party. The prevailing party in any suit instituted arising out of this Contract and in any forfeiture proceedings arising out of this Contract shall be entitled to receive reasonable attorney's fees and costs incurred in such suit or proceedings.

25. NOTICES. Notices shall be either personally served or shall be sent certified mail, return receipt requested, and by regular first class mail to Purchaser at **21474 Rolling Ridge Drive , Sedro-Woolley, WA 98284** and to Seller at **1610 Florence Street Mount Vernon, WA 98273** or such other addresses as either party may specify in writing to the other party. Notices shall be deemed given when served or mailed. Notice to Seller shall also be sent to any institution receiving payments on the Contract.

26. TIME FOR PERFORMANCE. Time is of the essence in performance of any obligations pursuant to this Contract.

27. SUCCESSORS AND ASSIGNS. Subject to any restrictions against assignment, the provisions of this Contract shall be binding on the heirs, successors, and assigns of the Seller and the Purchaser.

28. OPTIONAL PROVISION -- SUBSTITUTION AND SECURITY ON PERSONAL PROPERTY. Purchaser may substitute for any personal property specified in Paragraph 3 herein other personal property of like nature which Purchaser owns free and clear of any encumbrances. Purchaser hereby grants Seller a security interest in all personal property specified in Paragraph 3 and future substitutions for such property and agrees to execute a financing statement under the Uniform Commercial Code reflecting such security interest.

SELLER

INITIALS:

PURCHASER

29. OPTIONAL PROVISION -- ALTERATIONS. Purchaser shall not make any substantial alteration to the improvements on the property without the prior written consent of Seller, which consent will not be unreasonably withheld.

SELLER

INITIALS:

PURCHASER




30. OPTIONAL PROVISION -- DUE ON SALE. If Purchaser, without written consent of Seller, (a) conveys, (b) sells, (c) leases, (d) assigns, (e) contracts to convey, sell, lease or assign, (f) grants an option to buy the property, (g) permits a forfeiture or foreclosure or trustee or sheriff's sale of any of the Purchaser's interest in the property or this Contract, Seller may at any time thereafter either raise the interest rate on the balance of the purchase price or declare the entire balance of the purchase price due and payable. If one or more of the entities comprising the Purchaser is a corporation, any transfer or successive transfers in the nature of items (a) through (g) above of 49% or more of the outstanding capital stock shall enable Seller to take the above action. A lease of less than 3 years (including options for renewals), a transfer to a spouse or child of Purchaser, a transfer incident to a marriage dissolution or condemnation, and a transfer by inheritance will not enable Seller to take any action pursuant to this Paragraph; provided the transferee other than a condemn or agrees in writing that the provisions of this paragraph apply to any subsequent transaction involving the property entered into by the transferee.

SELLER


INITIALS:

PURCHASER



31. OPTIONAL PROVISION -- PRE-PAYMENT PENALTIES ON PRIOR ENCUMBRANCES. If Purchaser elects to make payments in excess of the minimum required payments on the purchase price herein, and Seller, because of such prepayments, incurs prepayment penalties on prior encumbrances, Purchaser agrees to forthwith pay Seller the amount of such penalties in addition to payments on the purchase price.

SELLER

INITIALS:

PURCHASER

32. OPTIONAL PROVISION -- PERIODIC PAYMENTS ON TAXES AND INSURANCE. In addition to the periodic payments on the purchase price, Purchaser agrees to pay Seller such portion of the real estate taxes and assessments and fire insurance premium as will approximately total the amount due during the current year based on Seller's reasonable estimate.

The payments during the current year shall be \$ _____ per _____.

Such "reserve" payments from Purchaser shall not accrue interest. Seller shall pay when due all real estate taxes and insurance premiums, if any, and debit the amounts so paid to the reserve account. Purchaser and Seller shall adjust the reserve account in April of each year to reflect excess or deficit balances and changed costs. Purchaser agrees to bring the reserve account balance to a minimum of \$10 at the time of adjustment.

SELLER

INITIALS:

PURCHASER

33. ADDENDA. Any addenda attached hereto are a part of this Contract.

34. ENTIRE AGREEMENT. This Contract constitutes the entire agreement of the parties and supersedes all prior agreements and understandings, written or oral. This Contract may be amended only in writing executed by Seller and Purchaser.



201501120126

Skagit County Auditor

1/12/2015 Page

6 of

\$141.00

20 3:10PM

LPB 44-05(ir-1) rev. 3/2009
Page 5 of 7

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

Curtis Dougherty

Jacquelyn Dougherty

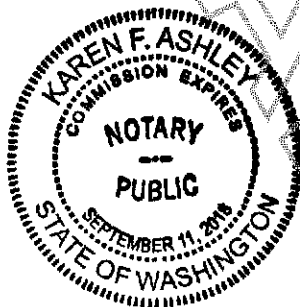
David Lawrence

Tracy Lawrence

STATE OF Washington
COUNTY OF Skagit } SS:

I certify that I know or have satisfactory evidence that **Curtis Dougherty and Jacquelyn Dougherty** the person(s) who appeared before me, and said person(s) acknowledged that they signed this instrument and acknowledge it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: January 9th 2015



Karen Ashley

Notary Public in and for the State of

Washington

Residing at Sedro-Woolley

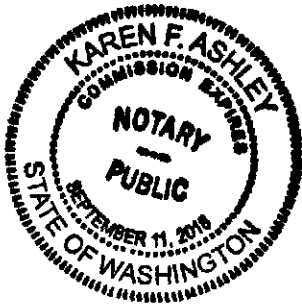
My appointment expires:

9/11/2018

State of Washington
County of Skagit } SS:

I certify that I know or have satisfactory evidence that **David Lawrence and Tracy Lawrence** the person(s) who appeared before me, and said person(s) acknowledged that they signed this instrument and acknowledge it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: January 9th 2015



Karen Ashley

Notary Public in and for the State of

Washington

Residing at: Sedro-Woolley

My appointment expires: 9/11/2018



201501120126

Skagit County Auditor

\$141.00

1/12/2015 Page

7 of

20 3:10PM

EXHIBIT "A"

Lot C, Short Card No. PL-14-0339, approved November 26, 2014, recorded November 26, 2014, under Auditor's File No. 201411260087; being a portion of Lot 'B', Long Card No. PL-06-1046, approved May 8, 2007, recorded May 22, 2007, under Auditor's File No. 200705220073 and as amended by that Survey Map recorded December 24, 2007, under Auditor's File No. 200712240160, records of Skagit County, Washington, being a portion of the Southeast ¼ of the Northwest ¼, Section 27, Township 35 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington.

Abbreviated Legal:



201501120126

EXHIBIT "B"

Amendment to paragraphs 8, 12, 14 and 34 of Real Estate Contract

Paragraphs 8, 12, 14 and 34 are declared null and void and are replaced as below:

Paragraph No. 8 - FULFILLMENT DEED: Upon payment of all amounts due Seller, Seller agrees to deliver to Purchaser a Statutory Warranty Deed in fulfillment of this contract. Purchaser is to incur any and all cost of Procuring said Fulfillment Deed.

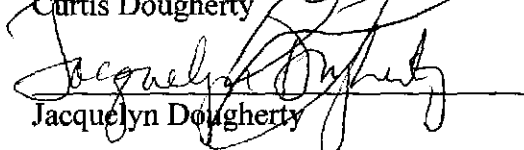
Paragraph No. 12 - TAXES, ASSESSMENTS AND UTILITY LIENS. Purchaser agrees to pay directly to vendors owed, by the due dates any and all taxes, assessments, penalties and utility charges and liens. Furthermore purchaser agrees and hereby Grants and Conveys to Seller a Hold Harmless agreement against any liens or incumbrances on the property to protect Sellers interest.

Paragraph No. 14 – NONPAYMENT OF TAXES, INSURANCE, AND UTILITIES CONSTITUTING LIENS: Purchaser agrees that non payment of taxes and assessments, penalties and utility charges and liens in timely manner(within 30 days) of due date constitutes breach of conditions and default.

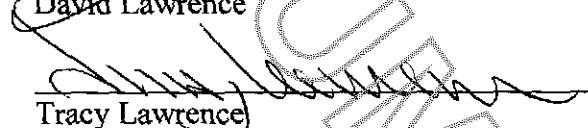
Paragraph No. 34 – ENTIRE AGREEMENT: This contract with attached Purchase and Sale Agreement(see Addendum A) constitutes the entire agreement of the parties and supersedes all prior agreements and understandings, written or oral. This Contract may be amended only in writing executed by Seller and Purchaser.

Signed and approved:


Curtis Dougherty


Jacquelyn Dougherty


David Lawrence


Tracy Lawrence



201501120126

Skagit County Auditor

\$141.00

1/12/2015 Page

9 of 20 3:10PM

VACANT LAND PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

©Copyright 2014
Northwest Multiple Listing Service
ALL RIGHTS RESERVED

1. Date: 7/28/14 MLS No.: NONE
2. Buyer: DAVID / TRACY LAWRENCE
3. Seller: CURTIS / JACQUELYN DOUGHERTY
4. Property: Tax Parcel No(s): 126123 (PORTION HILITED IN YELLOW) SK961T County)
10306 COLLINS RD. SEDR0-W00LEY WA. 98284
Address City State Zip
- Legal Description: Attached as Exhibit A.
5. Purchase Price: \$ \$19,500 PLUS ALL COSTS TO TAKE IT OUT OF OPEN SPACE AND TURN IT INTO ITS OWN P#
6. Earnest Money: (To be held by ☐ Selling Firm; ☒ Closing Agent)
Personal Check: \$ _____ Note: \$ _____ Other (1st CASH): \$ _____
7. Default: (check only one) ☒ Forfeiture of Earnest Money; ☐ Seller's Election of Remedies
8. Title Insurance Company: LAND TITLE
9. Closing Agent: ☐ a qualified closing agent of Buyer's choice; ☒ SELF LAND TITLE
10. Closing Date: WHEN COUNTY APPROVES NEW PARCEL & ON ALLOGE. 60 TO 90 Days
11. Possession Date: ☒ on Closing; ☐ Other _____
12. Offer Expiration Date: _____
13. Services of Closing Agent for Payment of Utilities: ☐ Requested (attach NWMLS Form 22K); ☒ Waived
14. Charges and Assessments Due After Closing: ☒ assumed by Buyer; ☐ prepaid in full by Seller at Closing
15. Subdivision: The Property: ☒ must be subdivided before 10/31/14; ☐ is not required to be subdivided
16. Feasibility Contingency Expiration Date: ☐ _____ days after mutual acceptance; ☐ Other _____
17. Agency Disclosure: Selling Broker represents: ☐ Buyer; ☐ Seller; ☐ both parties; ☐ neither party
Listing Broker represents: ☐ Seller; ☐ both parties
18. Addenda: _____

[Signature] 8/04/14
Buyer's Signature Date

Buyer's Signature Date
XXXXXX XXXX XXXX 21474 ROLLING RIDGE DR.
Buyer's Address
XXXXXX XXXX XXXX 98273 SEDR0-W00LEY, WA
City, State, Zip 98284

Phone No. Fax No.

Buyer's E-mail Address
N/A
Selling Firm MLS Office No.
N/A
Selling Broker (Print) MLS LAG No.

Phone No. Firm Fax No.

Selling Firm Document E-mail Address

Selling Broker's E-mail Address

[Signature] 7-30-2014
Seller's Signature Date

Seller's Signature Date
1610 Florence Street
Seller's Address
Mount Vernon, WA 98273
City, State, Zip

Phone No. Fax No.

Seller's E-mail Address
N/A
Listing Firm MLS Office No.
N/A
Listing Broker (Print) MLS LAG No.

Phone No. Firm Fax No.

mail Address

ress



**VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS**

©Copyright 2014
Northwest Multiple Listing Service
ALL RIGHTS RESERVED

Continued

- a. **Purchase Price.** Buyer shall pay to Seller the Purchase Price, including the Earnest Money, in cash at Closing, unless otherwise specified in this Agreement. Buyer represents that Buyer has sufficient funds to close this sale in accordance with this Agreement and is not relying on any contingent source of funds, including funds from loans, the sale of other property, gifts, retirement, or future earnings, except to the extent otherwise specified in this Agreement.
- b. **Earnest Money.** Buyer shall deliver the Earnest Money within 2 days after mutual acceptance to Selling Broker or to Closing Agent. If Buyer delivers the Earnest Money to Selling Broker, Selling Broker will deposit any check to be held by Selling Firm, or deliver any Earnest Money to be held by Closing Agent, within 3 days of receipt or mutual acceptance, whichever occurs later. If the Earnest Money is held by Selling Firm and is over \$10,000.00 it shall be deposited into an interest bearing trust account in Selling Firm's name provided that Buyer completes an IRS Form W-9. Interest, if any, after deduction of bank charges and fees, will be paid to Buyer. Buyer shall reimburse Selling Firm for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Firm is over \$10,000.00 Buyer has the option to require Selling Firm to deposit the Earnest Money into the Housing Trust Fund Account, with the interest paid to the State Treasurer, if both Seller and Buyer so agree in writing. If the Buyer does not complete an IRS Form W-9 before Selling Firm must deposit the Earnest Money or the Earnest Money is \$10,000.00 or less, the Earnest Money shall be deposited into the Housing Trust Fund Account. Selling Firm may transfer the Earnest Money to Closing Agent at Closing. If all or part of the Earnest Money is to be refunded to Buyer and any such costs remain unpaid, the Selling Firm or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to provide written verification or receipt of the Earnest Money and notice of dishonor of any check to the parties and Brokers at the addresses and/or fax numbers provided herein.

Upon termination of this Agreement, a party or the Closing Agent may deliver a form authorizing the release of Earnest Money to the other party or the parties. The party(s) shall execute such form and deliver the same to the Closing Agent. If either party fails to execute the release form, the other party may make a written demand to the Closing Agent for the Earnest Money. If only one party makes such a demand, Closing Agent shall promptly deliver notice of the demand to the other party. If the other party does not object to the demand within 10 days of Closing Agent's notice, Closing Agent shall disburse the Earnest Money to the party making the demand. If Closing Agent complies with the preceding process, each party shall be deemed to have released Closing Agent from any and all claims or liability related to the disbursement of the Earnest Money. The parties are advised that, notwithstanding the foregoing, Closing Agent may require the parties to execute a separate agreement before disbursing the Earnest Money. If either party fails to authorize the release of the Earnest Money to the other party when required to do so under this Agreement, that party shall be in breach of this Agreement. Upon either party's request, the party holding the Earnest Money shall commence an interpleader action in the county in which the Property is located. For the purposes of this section, the term Closing Agent includes a Selling Firm holding the Earnest Money. The parties authorize the party commencing an interpleader action to deduct up to \$500.00 for the costs thereof.

- c. **Condition of Title.** Unless otherwise specified in this Agreement, title to the Property shall be marketable at Closing. The following shall not cause the title to be unmarketable: rights, reservations, covenants, conditions and restrictions, presently of record and general to the area; easements and encroachments, not materially affecting the value of or unduly interfering with Buyer's reasonable use of the Property; and reserved oil and/or mining rights. Monetary encumbrances or liens not assumed by Buyer, shall be paid or discharged by Seller on or before Closing. Title shall be conveyed by a Statutory Warranty Deed. If this Agreement is for conveyance of a buyer's interest in a Real Estate Contract, the Statutory Warranty Deed shall include a buyer's assignment of the contract sufficient to convey after acquired title. If the Property has been short platted, the Short Plat number is in the Legal Description.
- d. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of standard form owner's policy of title insurance from the Title Insurance Company. If Seller previously received a preliminary commitment from a Title Insurance Company that Buyer declines to use, Buyer shall pay any cancellation fees owing to the original Title Insurance Company. Otherwise, the party applying for title insurance shall pay any title cancellation fee, in the event such a fee is assessed. The Title Insurance Company shall send a copy of the preliminary commitment to Seller, Listing Broker, Buyer and Selling Broker. The preliminary commitment, and the title policy to be issued, shall contain no exceptions other than the General Exclusions and Exceptions in said standard form and Special Exceptions consistent with the Condition of Title herein provided. If title cannot be made so insurable prior to the Closing Date, then as Buyer's sole and exclusive remedy, the Earnest Money shall, unless Buyer elects to waive such defects or encumbrances, be refunded to the Buyer, less any unpaid costs described in this Agreement, and this Agreement shall thereupon be terminated. Buyer shall have no right to specific performance or damages as a consequence of Seller's inability to provide insurable title.
- e. **Closing and Possession.** This sale shall be closed by the Closing Agent on the Closing Date. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. If the Closing Date falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller shall maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. Seller shall not enter into or modify existing leases or rental agreements, service contracts, or other agreements

8-04-14
Buyer's Initials Date

201501120126

7-30-2014
Date Seller's Initials Date

**VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS**

©Copyright 2014
Northwest Multiple Listing Service
ALL RIGHTS RESERVED

Continued

affecting the Property which have terms extending beyond Closing without first obtaining Buyer's consent, which shall not be unreasonably withheld.

f. **Section 1031 Like-Kind Exchange.** If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like-kind exchange, then the other party shall cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorneys' fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to Closing. Notwithstanding the Assignment paragraph of this Agreement, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange.

g. **Closing Costs and Prorations and Charges and Assessments.** Seller and Buyer shall each pay one-half of the escrow fee unless otherwise required by applicable FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer shall pay Buyer's loan costs, including credit report, appraisal charge and lender's title insurance, unless provided otherwise in this Agreement. If any payments are delinquent on encumbrances which will remain after Closing, Closing Agent is instructed to pay such delinquencies at Closing from money due, or to be paid by, Seller. Buyer shall pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement as to the quantity and current price from the supplier. Seller shall pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 13, Seller and Buyer request the services of Closing Agent in disbursing funds necessary to satisfy unpaid utility charges in accordance with RCW 60.80 and Seller shall provide the names and addresses of all utilities providing service to the Property and having lien rights (attach NWMLS Form 22K Identification of Utilities or equivalent).

Buyer is advised to verify the existence and amount of any local improvement district, capacity or impact charges or other assessments that may be charged against the Property before or after Closing. Seller will pay such charges that are encumbrances at the time of Closing, or that are or become due on or before Closing. Charges levied before Closing, but becoming due after Closing shall be paid as agreed in Specific Term No. 14.

h. **Sale Information.** Listing Broker and Selling Broker are authorized to report this Agreement (including price and all terms) to the Multiple Listing Service that published it and to its members, financing institutions, appraisers, and anyone else related to this sale. Buyer and Seller expressly authorize all Closing Agents, appraisers, title insurance companies, and others related to this Sale, to furnish the Listing Broker and/or Selling Broker, on request, any and all information and copies of documents concerning this sale.


i. **FIRPTA - Tax Withholding at Closing.** The Closing Agent is instructed to prepare a certification (NWMLS Form 22E or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment In Real Property Tax Act. Seller shall sign this certification. If Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service.

j. **Notices.** In consideration of the license to use this and NWMLS's companion forms and for the benefit of the Listing Broker and the Selling Broker as well as the orderly administration of the offer, counteroffer or this agreement, the parties irrevocably agree that unless otherwise specified in this Agreement, any notice required or permitted in, or related to, this Agreement (including revocations of offers or counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and shall be deemed given only when the notice is received by Seller, by Listing Broker or at the licensed office of Listing Broker. Notices to Buyer must be signed by at least one Seller and shall be deemed given only when the notice is received by Buyer, by Selling Broker or at the licensed office of Selling Broker. Receipt by Selling Broker of a Form 17 or 17C (whichever is applicable), Public Offering Statement or Resale Certificate, title homeowners' association documents provided pursuant to NWMLS Form 22D, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T shall be deemed receipt by Buyer. Selling Broker and Listing Broker have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address shown on this Agreement. Buyer and Seller must keep Selling Broker and Listing Broker advised of their whereabouts in order to receive prompt notification of receipt of a notice.

k. **Computation of Time.** Unless otherwise specified in this Agreement, any period of time measured in days and stated in this Agreement shall start on the day following the event commencing the period and shall expire at 9:00 p.m. of the last calendar day of the specified period of time. Except for the Possession Date, if the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of 5 days or less shall not include Saturdays, Sundays or legal holidays. If the parties agree that an event will occur on a specific calendar date, the event shall occur on that date, except for the Closing Date, which, if it falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, shall occur on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. If the parties agree upon and attach a legal description after this Agreement is signed by the offeree and delivered to the offeror, then for the purposes of computing time, mutual acceptance shall be deemed to be on the date of delivery of an accepted offer or counteroffer to the offeror, rather than on the date the legal description is attached. Time is of the essence of this Agreement.

 8-04-14
Buyer's Initials Date

Buyer's Initials Date

 7-30-2014
Seller's Initials Date

Seller's Initials Date

1/12/2015 Page 12 of 20 3:10PM \$141.00
Skagit County Auditor
201501120126

**VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS**

Continued

©Copyright 2014
Northwest Multiple Listing Service
ALL RIGHTS RESERVED

- l. Facsimile or E-mail Transmission.** Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will confirm facsimile transmitted signatures by signing an original document. E-mail transmission of any signed original document, and retransmission of any such e-mail, shall be the same as delivery of an original, provided that the e-mail is sent to both Selling Broker and Selling Firm or both Listing Broker and Listing Firm at the e-mail addresses on page one of this Agreement. At the request of either party, or the Closing Agent, the parties will confirm e-mail transmitted signatures by signing an original document.
- m. Integration and Electronic Signatures.** This Agreement constitutes the entire understanding between the parties and supersedes all prior or contemporaneous understandings and representations. No modification of this Agreement shall be effective unless agreed in writing and signed by Buyer and Seller. The parties acknowledge that a signature in electronic form has the same legal effect and validity as a handwritten signature.
- n. Assignment.** Buyer may not assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless the parties indicate that assignment is permitted by the addition of "and/or assigns" on the line identifying the Buyer on the first page of this Agreement.
- o. Default.** In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then the following provision, as identified in Specific Term No. 7, shall apply:
- i. Forfeiture of Earnest Money.** That portion of the Earnest Money that does not exceed five percent (5%) of the Purchase Price shall be forfeited to the Seller as the sole and exclusive remedy available to Seller for such failure.
- ii. Seller's Election of Remedies.** Seller may, at Seller's option, (a) keep the Earnest Money as liquidated damages as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity.
- p. Professional Advice and Attorneys' Fees.** Buyer and Seller are advised to seek the counsel of an attorney and a certified public accountant to review the terms of this Agreement. Buyer and Seller agree to pay their own fees incurred for such review. However, if Buyer or Seller institutes suit against the other concerning this Agreement the prevailing party is entitled to reasonable attorneys' fees and expenses.
- q. Offer.** Buyer shall purchase the Property under the terms and conditions of this Agreement. Seller shall have until 9:00 p.m. on the Offer Expiration Date to accept this offer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is received by Buyer, by Selling Broker or at the licensed office of Selling Broker. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.
- r. Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of the Seller's name, shall be considered a counteroffer. If a party makes a counteroffer, then the other party shall have until 9:00 p.m. on the counteroffer expiration date to accept that counteroffer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is received by the other party, the other party's broker, or at the licensed office of the other party's broker. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.
- s. Offer and Counteroffer Expiration Date.** If no expiration date is specified for an offer/counteroffer, the offer/counteroffer shall expire 2 days after the offer/counteroffer is delivered by the party making the offer/counteroffer, unless sooner withdrawn.
- t. Agency Disclosure.** Selling Firm, Selling Firm's Designated Broker, Selling Broker's Branch Manager (if any) and Selling Broker's Managing Broker (if any) represent the same party that Selling Broker represents. Listing Firm, Listing Firm's Designated Broker, Listing Broker's Branch Manager (if any), and Listing Broker's Managing Broker (if any) represent the same party that the Listing Broker represents. If Selling Broker and Listing Broker are different persons affiliated with the same Firm, then both Buyer and Seller confirm their consent to Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. If Selling Broker and Listing Broker are the same person representing both parties then both Buyer and Seller confirm their consent to that person and his/her Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency."
- u. Commission.** Seller and Buyer agree to pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Firm's commission shall be apportioned between Listing Firm and Selling Firm as specified in the listing. Seller and Buyer hereby consent to Listing Firm or Selling Firm receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Firm and Selling Firm, as applicable, a portion of their funds in escrow equal to such commission(s) and irrevocably instruct the Closing Agent to disburse the commission(s) directly to the Firm(s). In any action by Listing or Selling Firm to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. Seller and Buyer agree that the Firms are intended third party beneficiaries under this Agreement.

8-04-14
Buyer's Initials Date

Buyer's Initials Date

7-30-2014
Seller's

201501120126

Skagit County Auditor

\$141.00

1/12/2015 Page

13 of

20 3:10PM

**VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS**

©Copyright 2014
Northwest Multiple Listing Service
ALL RIGHTS RESERVED

Continued

- v. Feasibility Contingency.** It is the Buyer's responsibility to verify before the Feasibility Contingency Expiration Date 174 identified in Specific Term No. 16 whether or not the Property can be platted, developed and/or built on (now or in the 175 future) and what it will cost to do this. BUYER SHOULD NOT RELY ON ANY ORAL STATEMENTS concerning this 176 made by the Seller, Listing Broker or Selling Broker. Buyer should inquire at the city or county, and water, sewer or 177 other special districts in which the Property is located. Buyer's inquiry should include, but not be limited to: building or 178 development moratoriums applicable to or being considered for the Property; any special building requirements, 179 including setbacks, height limits or restrictions on where buildings may be constructed on the Property; whether the 180 Property is affected by a flood zone, wetlands, shorelands or other environmentally sensitive area; road, school, fire and 181 any other growth mitigation or impact fees that must be paid; the procedure and length of time necessary to obtain plat 182 approval and/or a building permit, sufficient water, sewer and utility and any service connection charges; and all other 183 charges that must be paid. Buyer and Buyer's agents, representatives, consultants, architects and engineers shall have 184 the right, from time to time during the feasibility contingency, to enter onto the Property and to conduct any tests or 185 studies that Buyer may need to ascertain the condition and suitability of the Property for Buyer's intended purpose. 186 Buyer shall restore the Property and all improvements on the Property to the same condition they were in prior to the 187 inspection. Buyer shall be responsible for all damages resulting from any inspection of the Property performed on 188 Buyer's behalf. If the Buyer does not give notice to the contrary on or before the Feasibility Contingency Expiration Date 189 identified in Specific Term No. 16, it shall be conclusively deemed that Buyer is satisfied as to development and/or 190 construction feasibility and cost. If Buyer gives notice this Agreement shall terminate and the Earnest Money shall be 191 refunded to Buyer, less any unpaid costs. 192
- w. Subdivision.** If the Property must be subdivided, Seller represents that there has been preliminary plat approval for the 193 Property and this Agreement is conditioned on the recording of the final plat containing the Property on or before the 194 date specified in Specific Term 15. If the final plat is not recorded by such date, this Agreement shall terminate and the 195 Earnest Money shall be refunded to Buyer. 196
- x. Information Verification Period and Property Condition Disclaimer.** Buyer shall have 10 days after mutual 197 acceptance to verify all information provided from Seller or Listing Firm related to the Property. This contingency shall 198 be deemed satisfied unless Buyer gives notice identifying the materially inaccurate information within 10 days of mutual 199 acceptance. If Buyer gives timely notice under this section, then this Agreement shall terminate and the Earnest Money 200 shall be refunded to Buyer. 201

Buyer and Seller agree, that except as provided in this Agreement, all representations and information regarding the 202 Property and the transaction are solely from the Seller or Buyer, and not from any Broker. The parties acknowledge that 203 the Brokers are not responsible for assuring that the parties perform their obligations under this Agreement and that 204 none of the Brokers has agreed to independently investigate or confirm any matter related to this transaction except as 205 stated in this Agreement, or in a separate writing signed by such Broker. In addition, Brokers do not guarantee the 206 value, quality or condition of the Property and some properties may contain building materials, including siding, roofing, 207 ceiling, insulation, electrical, and plumbing, that have been the subject of lawsuits and/or governmental inquiry because 208 of possible defects or health hazards. Some properties may have other defects arising after construction, such as 209 drainage, leakage, pest, rot and mold problems. Brokers do not have the expertise to identify or assess defective 210 products, materials, or conditions. Buyer is urged to use due diligence to inspect the Property to Buyer's satisfaction 211 and to retain inspectors qualified to identify the presence of defective materials and evaluate the condition of the 212 Property as there may be defects that may only be revealed by careful inspection. Buyer is advised to investigate 213 whether there is a sufficient water supply to meet Buyer's needs. Buyer is advised to investigate the cost of insurance 214 for the Property, including, but not limited to homeowner's, flood, earthquake, landslide, and other available coverage. 215 Brokers may assist the parties with locating and selecting third party service providers, such as inspectors or 216 contractors, but Brokers cannot guarantee or be responsible for the services provided by those third parties. The parties 217 agree to exercise their own judgment and due diligence regarding third-party service providers. 218



201501120126

Skagit County Auditor

\$141.00

1/12/2015 Page 14 of 20 3:10PM

8-04-14
Buyer's Initials Date

Buyer's Initials Date

Seller's Initials

Date

Seller's Initials

Date

**PAYMENT TERMS ADDENDUM
TO PURCHASE AND SALE AGREEMENT**

©Copyright 2014
Northwest Multiple Listing Service
ALL RIGHTS RESERVED

The following is part of the Purchase and Sale Agreement dated 7/28/14 1
between David + Tracy Lawrence ("Buyer") 2
and Curtis + Jacquelyn Dougherty ("Seller") 3
concerning Critical areas portion of 10306 Collins Rd (the "Property"). 4

1. GENERAL TERMS 5

- A. **Limited Use.** Buyer represents that the Property ☐ will; ☒ will not (will, if not filled in) be used for a 6
residential dwelling. If the Property will be used for a residential dwelling, this Addendum may only be used if: 7
- i. Seller is a natural person (and not a loan originator), estate or trust; 8
 - ii. Seller has not financed the sale of another property within the past 12 months; 9
 - iii. Seller did not construct or act as a contractor for the construction of a residence on the Property in the 10
ordinary course of Seller's business; 11
 - iv. The repayment schedule does not result in a negative amortization; 12
 - v. The financing has a fixed rate of interest or an adjustable rate of interest that is adjustable after five or 13
more years, subject to reasonable annual and lifetime limitations on interest rate increases; and 14
 - vi. Seller obtains a waiver from the Washington State Department of Financial Institutions ("DFI") under RCW 15
31.04.025(3). 16
- B. **Limited Practice Board Forms.** The current version of any Limited Practice Board ("LPB") form referenced 17
below shall be attached to this Agreement as a blank form. 18
- C. **Attorney Review.** Buyer and Seller are advised to seek the counsel of an attorney to review the terms of this 19
Agreement and this Agreement is conditioned upon review and approval by counsel for Buyer and Seller. 20
Unless a party gives written notice of disapproval of this Agreement within _____ days (5 days if not 21
filled in) of mutual acceptance, this contingency shall be deemed satisfied (waived). 22
- D. **Attorney Review of Non-Standard Provisions.** If Buyer and Seller agree to financing terms that differ from 23
the terms in this Addendum or an attached LPB form, including, but not limited to making interlineations or 24
otherwise modifying or supplementing any pre-printed terms in this Addendum or attachments thereto, the 25
parties shall have this Agreement reviewed by legal counsel. If Buyer and Seller do not give notice of 26
approval of this Agreement by their counsel within _____ days (10 days if not filled in) of mutual 27
acceptance, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. 28
- E. **Prior Indebtedness and Security.** Seller understands that Seller's security interest in the Property may be 29
inferior to a third party's interest in the Property, such as a prior lender. 30

2. DOWN PAYMENT AND INTEREST RATE 31

Buyer shall pay a down payment, including Earnest Money, at Closing of \$ Zero Down, which shall be 32
applied to the Purchase Price. The balance of the Purchase Price (the "Indebtedness") shall accrue interest at 33
5 % per annum. Interest will begin to accrue on ☒ Closing; ☐ _____ (Closing if not checked). 34

AD 8-04-14
Buyer's Initials Date Buyer's Initials Date

7-30-2014
Seller's Initials Date Seller's Initials Date
201501120126

**PAYMENT TERMS ADDENDUM
TO PURCHASE AND SALE AGREEMENT**
Continued

©Copyright 2014
Northwest Multiple Listing Service
ALL RIGHTS RESERVED

3. PAYMENTS TO SELLER AND METHOD OF PAYMENT

A. Payments to Seller. Buyer shall pay (check applicable box):

- i. ☐ No installment payments are required.
ii. ☒ Principal and interest installments of \$ _____
iii. ☐ Interest only payments on the outstanding principal balance.

The installment payments, if any, shall begin on the 1st day of Month after closing and shall continue on the 1st day of each succeeding (check applicable box): ☒ calendar month; ☐ third calendar month; ☐ sixth calendar month; ☐ twelfth calendar month; ☐ Other: _____

B. ☒ Promissory Note and Deed of Trust

Security. The indebtedness shall be evidenced by a Promissory Note and a ☒ first; ☐ second; ☐ third (first, if not filled in) Deed of Trust, as set forth below.

ii. Promissory Note. Buyer agrees to sign at Closing LPB Form 28A (Promissory Note).

iii. Deed of Trust. Buyer agrees to sign at Closing the following selected form (check applicable box):

- a. ☐ LPB Form 22 (Deed of Trust) securing the Property; or
b. ☐ LPB Form 22A (Deed of Trust with Due on Sale and Due Date) securing the Property. The parties shall initial the Due on Sale clause, which provides: "The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law."

iv. Due Date. The balance of principal and accrued interest shall be due and payable in full on _____ day of Within 5 years of closing

v. Default and Default Interest. During any period of Buyer's default, the principal shall bear interest at the rate of _____ % per annum (18% if not filled in) or the maximum rate allowed by law, whichever is less. A late charge of \$ _____ or _____ % of any installment payment (5% of the payment if neither is filled in) shall be added to any payment more than _____ days late (15 days if not filled in). If Buyer has not cured any default within _____ (30 days if not filled in) after written notice, Seller may declare all outstanding sums immediately due and payable.

vi. Prepayment. Buyer may prepay all or part of the balance owed under this Agreement at any time without penalty.

vii. ☐ No Further Encumbrances. Buyer shall not further encumber the Property until Seller has released Seller's security interest in the Property. If selected, the Deed of Trust shall include the following provision:

As an express condition of Beneficiary making the loan secured by this Deed of Trust, Grantor shall not further encumber, pledge, mortgage, hypothecate, place any lien, charge or claim upon, or otherwise give as security the property or any interest therein nor cause or allow by operation of law the encumbrance of the Trust Estate or any interest therein without the written consent of Beneficiary even though such encumbrance may be junior to the encumbrance created by this Deed of Trust. Encumbrance of the property contrary to the provisions of this provision shall constitute a default and Beneficiary may, at Beneficiary's option, declare the entire balance of principal and interest immediately due and payable, whether the same be created by Grantor or an unaffiliated third party asserting a judgment lien, mechanic's or materialmen's lien or any other type of encumbrance or title defect.

LDX 8-04-14
Buyer's Initials Date

Buyer's Initials Date

SA 2-30-2014
Sel Date

201501120126

Skagit County Auditor

\$141.00

1/12/2015 Page

16 of

20 3:10PM

**PAYMENT TERMS ADDENDUM
TO PURCHASE AND SALE AGREEMENT**
Continued

©Copyright 2014
Northwest Multiple Listing Service
ALL RIGHTS RESERVED

- C. ☒ Real Estate Contract** 76
- Note: If the Property is primarily for agricultural purposes, then a non-judicial foreclosure/forfeiture remedy is available only by using a real estate contract. 77
- i. ☒ Real Estate Contract.** The parties agree to sign LPB Form 44 (Real Estate Contract). The parties agree to initial and make applicable the following Optional Provisions in LPB Form 44 if the corresponding box is checked: 79
- a. ☐ Substitution and Security on Personal Property 82
 - b. ☐ Alterations 83
 - c. ☒ Due on Sale 84
 - d. ☐ Pre-Payment Penalties on Prior Encumbrances 85
 - e. ☐ Periodic Payments on Taxes and Insurance (The payments during the current year shall be \$ _____ per _____) 86
- ii. ☒ Cash Out.** The entire balance of principal and interest shall be due and payable in full not later than January 9, 2020. 88
- 4. ASSUMED UNDERLYING OBLIGATIONS AND METHOD OF PAYMENT** 90
- A. ☐ Assumed Obligations.** Buyer shall assume the following obligations \$ _____ 91
- B. Consent of Holder of Underlying Obligation.** If there is an existing Deed of Trust, Real Estate Contract or other encumbrance which is to remain unpaid after Closing and its terms require the holder's consent to this sale, Buyer agrees to promptly apply for such consent upon mutual acceptance of this Agreement. This Agreement is subject to the written consent of the holder of the underlying obligation within _____ days (15 days if not filled in) of mutual acceptance. If the holder's written consent to this Agreement is not obtained by such date, this Agreement shall terminate, and the Earnest Money shall be refunded to Buyer. 92
- C. ☐ Seller Wrap of Existing Loan.** 98
- Payments.** From the payments by Buyer to Seller, Seller will pay the monthly payments of \$ _____ (the lender) having an approximate present principal balance of \$ _____ with interest at _____ % per annum computed on the unpaid principal and secured by the Property. Such balance remains the obligation of the Seller and Seller agrees to pay such obligation in accordance with its terms and conditions. Buyer shall have the right to remedy any default on the underlying obligation, provided Buyer is not in default to Seller, and all sums so paid shall be credited to Buyer's payments to Seller. 99
- D. ☐ Cash Down to Existing Loan.** 106
- i. Type of Loan.** Buyer agrees to assume, at Closing, an existing ☐ Deed of Trust; ☐ Mortgage; ☐ Real Estate Contract securing the Property and to pay the balance of the Purchase Price in cash, including Earnest Money, at Closing. The assumed loan ☐ is; ☐ is not an Adjustable Rate Mortgage ("ARM"). The monthly payments could increase or decrease if the assumed loan is an ARM. 107

LDX 8-04-14
Buyer's Initials Date

Buyer's Initials Date

7-30-2014
201501120126
Skagit County Auditor

Date

**PAYMENT TERMS ADDENDUM
TO PURCHASE AND SALE AGREEMENT**
Continued

©Copyright 2014
Northwest Multiple Listing Service
ALL RIGHTS RESERVED

- ii. **Loan Amount and Payments.** The assumed loan has a principal balance of approximately 111
\$ _____ and is payable in monthly installments of approximately 112
\$ _____ including interest at _____ % per annum computed on the declining 113
principal balance, and including ☐ real estate taxes; ☐ hazard insurance. Seller shall pay any 114
delinquencies at Closing. 115
- iii. ☐ **Seller Warranty – Loan is Assumable.** Seller warrants that the assumed loan is assumable provided 116
that Buyer complies with and agrees to abide by any requirements or conditions imposed by the holder of 117
the assumed loan. 118
- iv. ☐ **Buyer Review Period.** This Agreement is conditioned upon Buyer's review of the assumed loan. 119
Unless Buyer gives written notice to Seller of Buyer's disapproval of the assumed loan within _____ 120
days (5 days if not filled in) of mutual acceptance, this contingency shall be deemed satisfied (waived). 121
- v. ☐ **Seller Review Period.** Seller understands that when a loan is "assumed," Seller may remain liable to 122
pay the holder of the assumed loan if the Buyer fails to do so. This Agreement is conditioned upon 123
Seller's review of the terms of the assumed loan. Unless Seller gives written notice to Buyer of Seller's 124
disapproval of the terms of the assumed loan within _____ days (5 days if not filled in) of mutual 125
acceptance, this contingency shall be deemed satisfied (waived). 126

5. OTHER TERMS (Check all that apply). 127

A. ☐ **Payments to Collection Account.** 128

- i. **Collection Account.** Buyer's payments to or on behalf of Seller shall be made to a contract collection 129
account at _____ (the "Collection Account"), 130
☐ to be established and paid for by Buyer and Seller equally; or ☐ to be established and paid for as 131
follows: _____ (established and paid for equally if not filled in). 132
Closing Agent ☐ may; ☐ may not (may if not checked) collect Collection Account set-up fees and annual 133
escrow fees at Closing. 134
- ii. ☐ **Escrow.** The Collection Account shall also serve as escrow for a request for reconveyance or 135
fulfillment deed (as applicable), which shall be fully executed by Seller at Closing and held by the 136
Collection Account pending payment of funds as provided for herein and shall be released to Buyer when 137
full payment of funds due and owing have been received by the Collection Account. 138
- iii. ☐ **Taxes and Insurance.** In addition to payments for the principal and interest, additional amounts 139
determined by the Collection Account holder shall be paid by Buyer and applied to ☐ real property taxes; 140
☐ insurance, which amounts may change due to adjustments in taxes and insurance premiums. Closing 141
Agent ☐ may; ☐ may not (may if not checked) collect the initial deposit for taxes and insurance at 142
Closing. 143

- B. ☐ **Seller's Review of Buyer's Finances Contingency.** This Agreement is conditioned upon Seller's review 144
and approval, in Seller's sole discretion, of (i) ☐ Buyer's credit report and score; (ii) ☐ Buyer's income tax 145
returns for the prior _____ years (3 years if not filled in); (iii) ☐ verification of Buyer's employment 146
from Buyer's employer; and (iv) ☐ other _____ 147
Buyer will provide Seller with all applicable information including a credit report and score (if applicable) 148
within _____ days (5 days if not filled in) of mutual acceptance. Unless Seller gives written notice to 149
Buyer of Seller's disapproval of the applicable conditions within _____ days (2 days if not filled in) 150
of the date the information is due, this contingency shall be deemed satisfied (waived). 151

- C. ☐ **Title Insurance.** Buyer shall pay the cost of a lender's standard title insurance policy insuring Seller's 152
security interest and shall pay for an extended lender's title insurance policy if the cost of such extended 153
policy does not exceed the cost of a standard policy by more than ten percent (10%). 154

LDX 8-04-14
Buyer's Initials Date

Buyer's Initials Date

BD 7-302014
Seller's Initials Date

201501120126
Skagit County Auditor \$141.00
1/12/2015 Page 18 of 20 3:10PM

SKAGIT COUNTY RIGHT TO FARM DISCLOSURE

Buyer: David & Tracy Lawrence 1
Seller: Curtis & Jacquelyn Doughtrey 2
Property: Critical Areas portion of 10306 Collins Road 3

Legal Description of Property: 4
To be provided by Land Title Company 5
Property being sold is the portion of 6
Lot B highlighted in yellow on the 7
attached plat map. 8
9
10

Buyer is aware that the Property may be subject to the Skagit County Right to Farm Ordinance, 11
Skagit County Code section 14.48, which states: 12

If your real property is adjacent to property used for agricultural operations or included within 13
an area zoned for agricultural purposes, you may be subject to inconveniences or 14
discomforts arising from such operations, INCLUDING BUT NOT LIMITED TO NOISE, 15
ODORS, FLIES, FUMES, DUST, SMOKE, THE OPERATION OF MACHINERY OF ANY 16
KIND DURING ANY 24 HOUR PERIOD (INCLUDING AIRCRAFT), THE STORAGE AND 17
DISPOSAL OF MANURE, AND THE APPLICATION BY SPRAYING OR OTHERWISE OF 18
CHEMICAL FERTILIZERS, SOIL AMENDMENTS, HERBICIDES AND PESTICIDES. Skagit 19
County has determined that the use of real property for agricultural operations is a high 20
priority and favored use to the county and will not consider to be a nuisance those 21
inconveniences or discomforts arising from agricultural operations, if such operations are 22
consistent with commonly accepted good management practices and comply with local, State 23
and Federal laws. 24

The Seller and Buyer authorize and direct the Closing Agent to record this Disclosure Statement with 25
the County Auditor's office in conjunction with the deed conveying the Property. 26

[Signature] 3-04-14
Buyer Date

[Signature] 1-30-2014
Seller Date

Buyer Date

Seller Date



201501120126

Skagit County Auditor

\$141.00

1/12/2015 Page

19 of

20 3:10PM

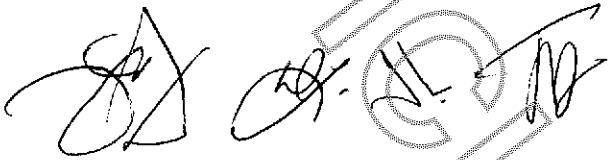
Schedule "A-1"

151202-OE

DESCRIPTION:

Lot C, Short Card No. PL-14-0339, approved November 26, 2014, recorded November 26, 2014, under Auditor's File No. 201411260087; being a portion of Lot 'B', Long Card No. PL-06-1046, approved May 8, 2007, recorded May 22, 2007, under Auditor's File No. 200705220073 and as amended by that Survey Map recorded December 24, 2007, under Auditor's File No. 200712240160, records of Skagit County, Washington, being a portion of the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$, Section 27, Township 35 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington.



201501120126

Skagit County Auditor

\$141.00

1/12/2015 Page

20 of

20

3:10PM