



201511200104

Skagit County Auditor

\$144.00

11/20/2015 Page

1 of 22 2:00PM

AFTER RECORDING MAIL TO:

Name Bruce Galloway
Address PO BOX 425
City/State Lake Stevens, WA 98258

Document Title(s):

1. Real Estate Contract

Reference Number(s) of Documents Assigned or released:**Grantor(s):**

1. Walter R. Moo, Jr. PR
2. Judy F. Moo Grant, PR

[] Additional information on page of document

CHICAGO TITLE
620025755

Grantee(s):

1. Jennifer L. Lewis
2. Nicholas C. ~~weis~~ Lewis

[] Additional information on page of document

Abbreviated Legal Description:

PTN GOV. LOT 2 AND SW NE, 05-35-05

Tax Parcel Number(s):

P17896 P17895

[] Complete legal description is on page of document

I am requesting an emergency nonstandard recording for an additional fee as 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.

X. Melody Denosett for
Long Mitchell

WHEN RECORDED RETURN TO:

Galloway Law Group PLLC
P.O. Box 425
Lake Stevens, WA 98258

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

20154733
NOV 20 2015

Amount Paid \$9252.¹⁰
Skagit Co. Treasurer
By *Mam* Deputy

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.

REAL ESTATE CONTRACT (RESIDENTIAL SHORT FORM)

1. PARTIES AND DATE. This Contract is entered into on November 16, 2015

between

The Estate of Laura Belle Frondorf, Walter R. Moo, Jr. and Judy F. Moo Grant, as Co-Personal
Representatives of the Estate as Seller and

Jennifer L. Lewis and Nicholas C. Lewis, wife and husband, as Buyer.

2. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Buyer and Buyer agrees to purchase from
Seller the following described real estate in Skagit County, State of Washington.

Portion of Government Lot 2 and SW, NE 05-35-06
Additional legal description attached as Exhibit A

Tax Account Number: P17896/ 330505-00-3-0008 and P17895/330505-0-002-0009

Inclusive of a 1980 Barrington Manufactured Home, 66x28, serial number 3556 (title eliminated) Property
I.D. P17896

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

- a. Hay Rake to be included in sale, as is. Considered as no value to the sale.
- b. Livestock trailer w/ current license plate # 4206-VI (value to be considered \$2,000) to be included
in the sale, as is. The current Estate will maintain legal owner, Buyer shall take title as registered owner.
Transfer will take place outside of Escrow, within 7 days.
- c. GM truck Model # K20903 Vin # 1GCHK24K47E581519 (value to be considered \$12,000) to be
included in the sale, as is. The current Estate will maintain legal owner, Buyer shall take title as registered
owner. Transfer will take place outside of Escrow.
- d. Blue, 2009-GM truck Model # K10903, Vin 1GCEK14J89Z132330 *As is (value considered to be
\$16,500) to be included in the sale, as is. The current Estate will maintain legal owner, Buyer shall take title as
registered owner. Transfer will take place outside of Escrow, within 7 days.

All vehicle titles shall be released to Buyer when the Contract balance has been reduced to
\$400,000.00.

Total Value of the personal property is Thirty Thousand Five Hundred Dollars (\$30,500.00).

Washington Sales Tax will be paid outside of closing on the Personal Property as part of the
Vehicle Transfer Fees. The value is carried on the contract. However, no part of the purchase price
is attributed to personal property for Real Estate Excise Tax Purposes. Real Estate Purchase Price
is Five Hundred Nineteen Thousand Five Hundred Dollars (\$519,500.00)

4. (a) TOTAL PRICE. Buyer agrees to pay:

\$550,000.00
Less (\$ 50,000.00
Less (\$ NONE
Results in \$ 500,000.00

Total Price
) Down Payment
) Assumed Obligation(s)
Amount Financed by Seller.

✓

Seller's Initials

JL INC

Buyer's Initials

(b) PAYMENT OF AMOUNT FINANCED BY SELLER.

Buyer agrees to pay the sum of \$500,000.00

as follows:

\$2,684.11 or more at buyer's option on or before the 1st day of January 2016 with interest from December 1, 2015 at the rate of five percent (5%) per annum on the declining balance thereof; and a like amount or more on or before 1st day of each and every month thereafter until June 1, 2018 when the interest rate shall increase to six percent (6%) and the monthly payment shall be recalculated on the then remaining balance, including all accrued interest, and a thirty (30) year amortization schedule.

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS DUE IN FULL NOT LATER THAN JANUARY 1, 2021.

Payments are applied first to any outstanding balances, then to interest and then to principal. Payments shall be made to and at:
Galloway Law Group PLLC
P.O. Box 425
Lake Stevens, WA 98258

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

5. 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 Buyer and the obligations being paid by Seller:

Schedule B Special Exceptions items 1-10 as Shown on the Chicago Title Company of Washington's Preliminary Commitment for title # 620025755 (attached hereto and by this reference made a part hereof)

ANY ADDITIONAL NON-MONETARY ENCUMBRANCES ARE INCLUDED IN ADDENDUM.

6. FULFILLMENT DEED. Upon payment of all amounts due Seller, Seller agrees to deliver to Buyer a Personal Representatives Deed in fulfillment of this Contract. The covenants of warranty in said deed shall not apply to any encumbrances assumed by Buyer 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.

7. LATE CHARGES. If any payment on the purchase price is not made within ten (10) days after the date it is due, Buyer 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 Buyer after such late charges are due shall be applied to the late charges.

8. NO ADVERSE EFFECT ON PRIOR ENCUMBRANCES. Seller warrants that entry into this Contract will not cause 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 Buyer in writing.

9. POSSESSION. Buyer is entitled to possession of the property from and after the date of this Contract, or the date all documents are recorded and the Buyers' down payment is made available to Seller whichever is later.

10. TAXES, ASSESSMENTS AND UTILITY LIENS. Buyer agrees to pay by the date due all taxes and assessments becoming a lien against the property after the date of this Contract. Buyer 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. Buyer 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, Buyer may demand in writing payment of such taxes and penalties within 30 days. If payment is not made, Buyer may pay and deduct the amount thereof plus 5% penalty from the payments next becoming due Seller under the Contract. (See optional clause 32)

11. INSURANCE. Buyer 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 Buyer 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 Buyer. Buyer 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 Buyer 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

✓ /
Seller's Initials

✓ /
Buyer's Initials

shall be applied upon any amounts due hereunder in such order as the Seller shall determine. In the event of forfeiture, all rights of Buyer in insurance policies then in force shall pass to Seller. (See optional Clause 32)

12. **NONPAYMENT OF TAXES, INSURANCE AND UTILITIES CONSTITUTING LIENS.** If Buyer 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 Buyer 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. (See optional Clause 32)

13. **CONDITION OF PROPERTY.** Buyer 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. Buyer agrees to maintain the property in such condition as complies with all applicable laws.

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

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

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

17. **CONDEMNATION.** Seller and buyer may each appear as owners of an interest in the property in any action concerning condemnation of any part of the property. Buyer 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 Buyer 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.

18. **DEFAULT.** If the Buyer 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

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

(c) **Forfeit Buyer'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 Buyer and all persons claiming through the Buyer shall be terminated; (ii) the Buyer'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) Buyer 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.** Given Buyer written notice demanding payment of said delinquencies and payment of a late charge of 5%, a default interest rate of 18% of the amount of such delinquent payments and payment of Seller's reasonable attorney's fees and costs (at 18% interest) 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 Buyer or personally delivered to the Buyer, the entire balance owing, including interest at 18%, will become immediately due and payable. Seller may thereupon institute suit for payment of such balance, interest, late charge and reasonable attorney's fees and costs.

(e) **Judicial Foreclosure.** Sue to foreclose this contract as a mortgage, in which event Buyer may be liable for a deficiency and a default interest rate of 18%.

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

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

21. **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.

✓

Seller's Initials

Buyer's Initials

22. ATTORNEYS' FEES AND COSTS. In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorneys' 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 attorneys' fees and costs incurred in such suit or proceedings.

23. NOTICES. Notices shall be either personally served or shall be sent certified mail, return receipt requested and by regular first class mail to Buyer at

25406 Walker Valley Rd, Mt. Vernon, WA. 98274

and to Seller at: C/O Galloway Law Group PLLC. P.O. Box 425, Lake Stevens, WA 98258
with personal service to: 12101 N. Lakeshore Dr. Lake Stevens, WA.98258,

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.

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

25. 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 Buyer.

26. OPTIONAL PROVISION - ALTERATIONS. Buyer 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. (INITIALS REQUIRED)

INITIALS: SELLER

BUYER

27. OPTIONAL PROVISION -- DUE ON SALE. If Buyer, 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 Buyer=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 Buyer 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 Buyer, 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 condemnor agrees in writing that the provisions of this paragraph apply to any subsequent transaction involving the property entered into by the transferee. (INITIALS REQUIRED)

INITIALS: SELLER

BUYER

28. OPTIONAL PROVISION -- PERIODIC PAYMENTS ON TAXES AND INSURANCE. In addition to the periodic payments on the purchase price, Buyer 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 \$ 490.00 per month. Such reserve payments from Buyer 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. Buyer and Seller shall adjust the reserve account in April of each year to reflect excess or deficit balances and changed costs. Buyer agrees to bring the reserve account balance to a minimum of \$10 at the time of adjustment. (INITIALS REQUIRED)

INITIALS: SELLER

BUYER

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

Seller's Initials

Buyer's Initials

30. ENTIRE AGREEMENT/COUNTERPARTS. 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 Buyer. THIS AGREEMENT MAY BE SIGNED IN COUNTERPARTS WITH EACH SIGNATURE BEING A PART HEREOF AS IF SIGNED AT THE SAME TIME AND LOCATION.

SIGNATURE PAGE

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

SELLER

BUYER

✓

Judy F. Moo Grant, Co-Personal Representative
For the Estate of Laura Belle Frondorf (Deceased)

Jennifer L. Lewis

✓

Walter R. Moo, Jr. Co-Personal Representative
For the Estate of Laura Belle Frondorf (Deceased)

Nicholas C. Lewis

STATE OF WASHINGTON)
) ss.
COUNTY OF)

On this day personally appeared before me

Judy F. Moo Grant
to me known to be the individual 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
day of , 2015

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

STATE OF WISCONSIN)
) ss.
COUNTY OF)

On this day personally appeared before me

Walter R. Moo, Jr.
to me known to be the individual 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
day of , 2015

Notary Public in and for the State of Wisconsin,
residing at

STATE OF WISCONSIN)
) ss.
COUNTY OF Sachinawish)

On this day personally appeared before me

Jennifer L. Lewis and Nicolas C Lewis
to me known to be the individual described in and
who executed the within and foregoing instrument, and
acknowledged that THEY signed the
same as THEIR free and voluntary act and deed, for
the uses and purposes therein mentioned.

GIVEN under my hand and official seal this
1st day of November, 2015

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

Seller's Initials

Buyer's Initials

WHEN RECORDED RETURN TO:

Galloway Law Group PLLC
P.O. Box 425
Lake Stevens, WA 98258

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.

REAL ESTATE CONTRACT (RESIDENTIAL SHORT FORM)

1. PARTIES AND DATE. This Contract is entered into on November 16, 2015

between

The Estate of Laura Belle Frondorf, Walter R. Moo, Jr. and Judy F. Moo Grant, as Co-Personal
Representatives of the Estate as Seller and

Jennifer L. Lewis and Nicholas C. Lewis, wife and husband, as Buyer.

2. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Buyer and Buyer agrees to purchase from
Seller the following described real estate in Skagit County, State of Washington.

Portion of Government Lot 2 and SW, NE 05-35-06
Additional legal description attached as Exhibit A

Tax Account Number: P17896/ 330505-00—3-0008 and P17895/330505-0-002-0009

Inclusive of a 1980 Barrington Manufactured Home, 66x28; serial number 3556 (title eliminated) Property
I.D. P17896

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a. Hay Rake to be included in sale, as is. Considered as no value to the sale.

b. Livestock trailer w/ current license plate # 4206-VI (value to be considered \$2,000) to be included
in the sale, as is. The current Estate will maintain legal owner, Buyer shall take title as registered owner.
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All vehicle titles shall be released to Buyer when the Contract balance has been reduced to
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Total Value of the personal property is Thirty Thousand Five Hundred Dollars (\$30,500.00).

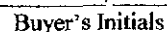
Washington Sales Tax will be paid outside of closing on the Personal Property as part of the
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\$550,000.00
Less (\$ 50,000.00
Less (\$ NONE
Results in \$ 500,000.00

Total Price
) Down Payment
) Assumed Obligation(s)
Amount Financed by Seller.

 Seller's Initials

 Buyer's Initials

(b) **PAYMENT OF AMOUNT FINANCED BY SELLER.**

Buyer agrees to pay the sum of \$500,000.00

as follows:

\$2,884.11 or more at buyer's option on or before the 1st day of January 2016 with interest from December 1, 2015 at the rate of five percent (5%) per annum on the declining balance thereof, and a like amount or more on or before 1st day of each and every month thereafter until June 1, 2018 when the interest rate shall increase to six percent (6%) and the monthly payment shall be recalculated on the then remaining balance, including all accrued interest, and a thirty (30) year amortization schedule.

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Colloway Law Group PLLC

P.O. Box 425

Lake Stevens, WA. 98258

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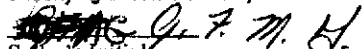
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9. **POSSESSION.** Buyer is entitled to possession of the property from and after the date of this Contract, or the date all documents are recorded and the Buyers' down payment is made available to Seller whichever is later.

10. **TAXES, ASSESSMENTS AND UTILITY LIENS.** Buyer agrees to pay by the date due all taxes and assessments becoming a lien against the property after the date of this Contract. Buyer 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. Buyer 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, Buyer may demand in writing payment of such taxes and penalties within 30 days. If payment is not made, Buyer may pay and deduct the amount thereof plus 5% penalty from the payments next becoming due Seller under the Contract. (See optional clause 32)

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Seller's Initials

Buyer's Initials

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

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

(c) **Forfeit Buyer'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 Buyer and all persons claiming through the Buyer shall be terminated; (ii) the Buyer'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) Buyer 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.** Given Buyer written notice demanding payment of said delinquencies and payment of a late charge of 5%, a default interest rate of 18% of the amount of such delinquent payments and payment of Seller's reasonable attorney's fees and costs (at 15% interest) 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 Buyer or personally delivered to the Buyer, the entire balance owing, including interest at 18%, will become immediately due and payable. Seller may thereupon institute suit for payment of such balance, interest, late charge and reasonable attorney's fees and costs.

(e) **Judicial Foreclosure.** Sue to foreclose this contract as a mortgage, in which event Buyer may be liable for a deficiency and a default interest rate of 18%.

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

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

21. **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.

CFM G
Seller's Initials

1
Buyer's Initials

22. ATTORNEYS' FEES AND COSTS. In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorneys' 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 attorneys' fees and costs incurred in such suit or proceedings.

23. NOTICES. Notices shall be either personally served or shall be sent certified mail, return receipt requested and by regular first class mail to Buyer at

25406 Walker Valley Rd, Mt. Vernon, WA. 98274

and to Seller at: C/O Galloway Law Group PLLC, P.O. Box 425, Lake Stevens, WA 98258
with personal service to: 12101 N. Lakeshore Dr. Lake Stevens, WA 98258,

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.

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

25. 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 Buyer.

26. OPTIONAL PROVISION - ALTERATIONS. Buyer 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. (INITIALS REQUIRED)

INITIALS: SELLER

JFM &

BUYER

27. OPTIONAL PROVISION - DUE ON SALE. If Buyer, 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 Buyer'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 Buyer 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 Buyer, 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 condemnor agrees in writing that the provisions of this paragraph apply to any subsequent transaction involving the property entered into by the transferee. (INITIALS REQUIRED)

INITIALS: SELLER

JFM &

BUYER

28. OPTIONAL PROVISION - PERIODIC PAYMENTS ON TAXES AND INSURANCE. In addition to the periodic payments on the purchase price, Buyer 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 \$ 490.00 per month. Such reserve payments from Buyer 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. Buyer and Seller shall adjust the reserve account in April of each year to reflect excess or deficit balances and changed costs. Buyer agrees to bring the reserve account balance to a minimum of \$10 at the time of adjustment. (INITIALS REQUIRED)

INITIALS: SELLER

JFM &

BUYER

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

JFM &
Seller's Initials

Buyer's Initials

30. ENTIRE AGREEMENT/COUNTERPARTS. 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 Buyer. THIS AGREEMENT MAY BE SIGNED IN COUNTERPARTS WITH EACH SIGNATURE BEING A PART HEREOF AS IF SIGNED AT THE SAME TIME AND LOCATION.

SIGNATURE PAGE

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

SELLER

BUYER

Judy F. Moo Grant
Judy F. Moo Grant
Judy F. Moo Grant, Co-Personal Representative
For the Estate of Laura Belle Frondorf (Deceased)

Jennifer L. Lewis

Walter R. Moo, Jr.
Walter R. Moo, Jr. Co-Personal Representative
For the Estate of Laura Belle Frondorf (Deceased)

Nicholas C. Lewis

STATE OF WASHINGTON)

STATE OF WISCONSIN)

COUNTY OF Grant)

COUNTY OF)

On this day personally appeared before me

On this day personally appeared before me

Judy F. Moo Grant
to me known to be the individual 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.

Walter R. Moo, Jr.
to me known to be the individual 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
day of November, 2015

GIVEN under my hand and official seal this
day of November, 2015

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

Notary Public in and for the State of Wisconsin,
residing at

STATE OF WISCONSIN)

COUNTY OF)

On this day personally appeared before me

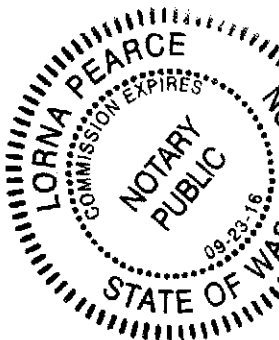
Jennifer L. Lewis and Nicolas C. Lewis
to me known to be the individual described in and
who executed the within and foregoing instrument, and
acknowledged that THEY signed the
same as THEIR free and voluntary act and deed, for
the uses and purposes therein mentioned.

GIVEN under my hand and official seal this
day of November, 2015

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

JFM
Seller's Initials

J
Buyer's Initials



WHEN RECORDED RETURN TO:

Galloway Law Group PLLC
P.O. Box 425
Lake Stevens, WA 98258

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.

REAL ESTATE CONTRACT (RESIDENTIAL SHORT FORM)

1. PARTIES AND DATE. This Contract is entered into on November 16, 2015

between

The Estate of Laura Belle Frondorf, Walter R. Moo, Jr. and Judy F. Moo Grant, as Co-Personal
Representatives of the Estate as Seller and

Jennifer L. Lewis and Nicholas C. Lewis, wife and husband, as Buyer.

2. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Buyer and Buyer agrees to purchase from
Seller the following described real estate in Skagit County, State of Washington.

Portion of Government Lot 2 and SW, NE 05-35-06
Additional legal description attached as Exhibit A

Tax Account Number: P17896/ 330505-00—3-0008 and P17895/330505-0-002-0009

Inclusive of a 1980 Barrington Manufactured Home, 66x28; serial number 3556 (title eliminated) Property
I.D. P17896

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

- a. Hay Rake to be included in sale, as is. Considered as no value to the sale.
- b. Livestock trailer w/ current license plate # 4206-VI (value to be considered \$2,000) to be included
in the sale, as is. The current Estate will maintain legal owner, Buyer shall take title as registered owner.
Transfer will take place outside of Escrow, within 7 days.
- c. GM truck Model # K20903 Vin # 1GCHK24K47E581519 (value to be considered \$12,000) to be
included in the sale, as is. The current Estate will maintain legal owner, Buyer shall take title as registered
owner. Transfer will take place outside of Escrow.
- d. Blue, 2009-GM truck Model # K10903, Vin 1GCEK14J89Z132330 *As is (value considered to be
\$16,500) to be included in the sale, as is. The current Estate will maintain legal owner, Buyer shall take title as
registered owner. Transfer will take place outside of Escrow, within 7 days.

All vehicle titles shall be released to Buyer when the Contract balance has been reduced to
\$400,000.00.

Total Value of the personal property is Thirty Thousand Five Hundred Dollars (\$30,500.00).
Washington Sales Tax will be paid outside of closing on the Personal Property as part of the
Vehicle Transfer Fees. The value is carried on the contract. **However, no part of the purchase price**
is attributed to personal property for Real Estate Excise Tax Purposes. Real Estate Purchase Price
is Five Hundred Nineteen Thousand Five Hundred Dollars (\$519,500.00)

(b) **PAYMENT OF AMOUNT FINANCED BY SELLER.**
Buyer agrees to pay the sum of \$500,000.00

as follows:

\$2,684.11 or more at buyer's option on or before the 1st day of January 2016 with interest from December 1, 2015 at the rate of five percent (5%) per annum on the declining balance thereof; and a like amount or more on or before 1st day of each and every month thereafter until June 1, 2018 when the interest rate shall increase to six percent (6%) and the monthly payment shall be recalculated on the then remaining balance, including all accrued interest, and a thirty (30) year amortization schedule.

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS DUE IN FULL NOT LATER THAN JANUARY 1, 2021.

Payments are applied first to any outstanding balances, then to interest and then to principal. Payments shall be made to and at:
Galloway Law Group PLLC
P.O. Box 425
Lake Stevens, WA 98258

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

5. 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 Buyer and the obligations being paid by Seller:

Schedule B Special Exceptions items 1-10 as Shown on the Chicago Title Company of Washington's Preliminary Commitment for title:# 620025755 (attached hereto and by this reference made a part hereof)

ANY ADDITIONAL NON-MONETARY ENCUMBRANCES ARE INCLUDED IN ADDENDUM.

6. FULFILLMENT DEED. Upon payment of all amounts due Seller, Seller agrees to deliver to Buyer a Personal Representatives Deed in fulfillment of this Contract. The covenants of warranty in said deed shall not apply to any encumbrances assumed by Buyer 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.

7. LATE CHARGES. If any payment on the purchase price is not made within ten (10) days after the date it is due, Buyer 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 Buyer after such late charges are due shall be applied to the late charges.

8. NO ADVERSE EFFECT ON PRIOR ENCUMBRANCES. Seller warrants that entry into this Contract will not cause 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 Buyer in writing.

9. POSSESSION. Buyer is entitled to possession of the property from and after the date of this Contract, or the date all documents are recorded and the Buyers' down payment is made available to Seller whichever is later.

10. TAXES, ASSESSMENTS AND UTILITY LIENS. Buyer agrees to pay by the date due all taxes and assessments becoming a lien against the property after the date of this Contract. Buyer 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. Buyer 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, Buyer may demand in writing payment of such taxes and penalties within 30 days. If payment is not made, Buyer may pay and deduct the amount thereof plus 5% penalty from the payments next becoming due Seller under the Contract. (See optional clause 32)

11. INSURANCE. Buyer agrees to keep all buildings now or hereafter erected on the property described

shall be applied upon any amounts due hereunder in such order as the Seller shall determine. In the event of forfeiture, all rights of Buyer in insurance policies then in force shall pass to Seller. (See optional Clause 32)

12. **NONPAYMENT OF TAXES, INSURANCE AND UTILITIES CONSTITUTING LIENS.** If Buyer 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 Buyer 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. (See optional Clause 32)

13. **CONDITION OF PROPERTY.** Buyer 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. Buyer agrees to maintain the property in such condition as complies with all applicable laws.

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

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

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

17. **CONDEMNATION.** Seller and buyer may each appear as owners of an interest in the property in any action concerning condemnation of any part of the property. Buyer 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 Buyer 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.

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

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

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

(c) **Forfeit Buyer'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 Buyer and all persons claiming through the Buyer shall be terminated; (ii) the Buyer'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) Buyer 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.** Given Buyer written notice demanding payment of said delinquencies and payment of a late charge of 5%, a default interest rate of 18% of the amount of such delinquent payments and payment of Seller's reasonable attorney's fees and costs (at 18% interest) 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 Buyer or personally delivered to the Buyer, the entire balance owing, including interest at 18%, will become immediately due and payable. Seller may thereupon institute suit for payment of such balance, interest, late charge and reasonable attorney's fees and costs.

(e) **Judicial Foreclosure.** Sue to foreclose this contract as a mortgage, in which event Buyer may be liable for a deficiency and a default interest rate of 18%.

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

22. ATTORNEYS' FEES AND COSTS. In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorneys' 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 attorneys' fees and costs incurred in such suit or proceedings.

23. NOTICES. Notices shall be either personally served or shall be sent certified mail, return receipt requested and by regular first class mail to Buyer at

25406 Walker Valley Rd, Mt. Vernon, WA. 98274

and to Seller at: C/O Galloway Law Group PLLC. P.O. Box 425, Lake Stevens, WA 98258
with personal service to: 12101 N. Lakeshore Dr. Lake Stevens, WA.98258,

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.

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

25. 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 Buyer.

26. OPTIONAL PROVISION -- ALTERATIONS. Buyer 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. (INITIALS REQUIRED)

INITIALS: SELLER

WRNAR

BUYER

27. OPTIONAL PROVISION -- DUE ON SALE. If Buyer, 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 Buyer'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 Buyer 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 Buyer, 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 condemnor agrees in writing that the provisions of this paragraph apply to any subsequent transaction involving the property entered into by the transferee. (INITIALS REQUIRED)

INITIALS: SELLER

WRNAR

BUYER

28. OPTIONAL PROVISION -- PERIODIC PAYMENTS ON TAXES AND INSURANCE. In addition to the periodic payments on the purchase price, Buyer 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. WRNAR

The payments during the current year shall be \$ 490.00 per month. Such reserve payments from Buyer 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. Buyer and Seller shall adjust the reserve account in April of each year to reflect excess or deficit balances and changed costs. Buyer agrees to bring the

30. ENTIRE AGREEMENT/COUNTERPARTS. 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 Buyer. THIS AGREEMENT MAY BE SIGNED IN COUNTERPARTS WITH EACH SIGNATURE BEING A PART HEREOF AS IF SIGNED AT THE SAME TIME AND LOCATION.

SIGNATURE PAGE


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

SELLER

BUYER

✓
Judy F. Moo Grant, Co-Personal Representative
For the Estate of Laura Belle Frondorf (Deceased)

Jennifer L. Lewis


Walter R. Moo, Jr. Co-Personal Representative
For the Estate of Laura Belle Frondorf (Deceased)

Nicholas C. Lewis

STATE OF WASHINGTON)
) ss.
COUNTY OF)

On this day personally appeared before me

Judy F. Moo Grant
to me known to be the individual 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
day of , 2015

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

STATE OF WISCONSIN)
) ss.
COUNTY OF)

On this day personally appeared before me

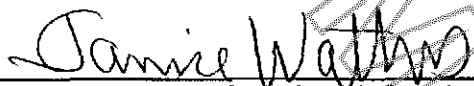
Jennifer L. Lewis and Nicolas C Lewis
to me known to be the individual described in and
who executed the within and foregoing instrument, and
acknowledged that THEY signed the
same as THEIR free and voluntary act and deed, for

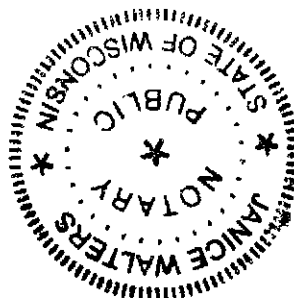
STATE OF WISCONSIN)
) ss.
COUNTY OF ADAMS)

On this day personally appeared before me

Walter R. Moo, Jr.
to me known to be the individual 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
16th day of NOVEMBER, 2015


Notary Public in and for the State of Wisconsin,
residing at



WHEN RECORDED RETURN TO:

Galloway Law Group PLLC
P.O. Box 425
Lake Stevens, WA 98258

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.

REAL ESTATE CONTRACT (RESIDENTIAL SHORT FORM)

1. PARTIES AND DATE. This Contract is entered into on November 16, 2015

between

The Estate of Laura Belle Frondorf, Walter R. Moo, Jr. and Judy F. Moo Grant, as Co-Personal
Representatives of the Estate as Seller and

Jennifer L. Lewis and Nicholas C. Lewis, wife and husband, as Buyer.

2. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Buyer and Buyer agrees to purchase from
Seller the following described real estate in Skagit County, State of Washington.

Portion of Government Lot 2 and SW, NE 05-35-08
Additional legal description attached as Exhibit A

Tax Account Number: P17896/ 330505-00-3-0008 and P17896/330505-0-002-0009

Inclusive of a 1980 Barrington Manufactured Home, 66x28; serial number 3556 (title eliminated) Property
LD: P17896

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

a. Hay Rake to be included in sale, as is. Considered as no value to the sale.

b. Livestock trailer w/ current license plate # 4206-VI (value to be considered \$2,000) to be included
in the sale, as is. The current Estate will maintain legal owner, Buyer shall take title as registered owner.
Transfer will take place outside of Escrow, within 7 days.

c. GM truck Model # K20903 Vin # 1GCHK24K47E581519 (value to be considered \$12,000) to be
included in the sale, as is. The current Estate will maintain legal owner, Buyer shall take title as registered
owner. Transfer will take place outside of Escrow.

d. Blue, 2009-GM truck Model # K10903, Vin 1GCEK14J89Z132330 *As is (value considered to be
\$16,500) to be included in the sale, as is. The current Estate will maintain legal owner, Buyer shall take title as
registered owner. Transfer will take place outside of Escrow, within 7 days.

All vehicle titles shall be released to Buyer when the Contract balance has been reduced to
\$400,000.00.

Total Value of the personal property is Thirty Thousand Five Hundred Dollars (\$30,500.00).


Washington Sales Tax will be paid outside of closing on the Personal Property as part of the
Vehicle Transfer Fees. The value is carried on the contract. However, no part of the purchase price
is attributed to personal property for Real Estate Excise Tax Purposes. Real Estate Purchase Price
is Five Hundred Nineteen Thousand Five Hundred Dollars (\$519,500.00)

4. (a) TOTAL PRICE. Buyer agrees to pay:

\$550,000.00
Less (\$ 50,000.00
Less (\$ NONE
Results in \$ 500,000.00

Total Price
) Down Payment
) Assumed Obligation(s)
Amount Financed by Seller.


Seller's Initials


Buyer's Initials

(b) **PAYMENT OF AMOUNT FINANCED BY SELLER.**
 Buyer agrees to pay the sum of \$500,000.00

as follows:

\$2,884.11 or more at buyer's option on or before the 1st day of January 2016 with interest from December 1, 2015 at the rate of five percent (5%) per annum on the declining balance thereof; and a like amount or more on or before 1st day of each and every month thereafter until June 1, 2018 when the interest rate shall increase to six percent (6%) and the monthly payment shall be recalculated on the then remaining balance, including all accrued interest, and a thirty (30) year amortization schedule.

NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL AND INTEREST IS DUE IN FULL NOT LATER THAN JANUARY 1, 2021.

Payments are applied first to any outstanding balances, then to interest and then to principal. Payments shall be made to and at:
 Gateway Law Group PLLC
 P.O. Box 425
 Lake Stevens, WA. 98256

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

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

Schedule B Special Exceptions Items 1-10 as Shown on the Chicago Title Company of Washington's Preliminary Commitment for title # 620029755 (attached hereto and by this reference made a part hereof)

ANY ADDITIONAL, NON-MONETARY ENCUMBRANCES ARE INCLUDED IN ADDENDUM.

6. **FULFILLMENT DEED.** Upon payment of all amounts due Seller, Seller agrees to deliver to Buyer a Personal Representatives Deed in fulfillment of this Contract. The covenants of warranty in said deed shall not apply to any encumbrances assumed by Buyer 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.

7. **LATE CHARGES.** If any payment on the purchase price is not made within ten (10) days after the date it is due, Buyer 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 Buyer after such late charges are due shall be applied to the late charges.

8. **NO ADVERSE EFFECT ON PRIOR ENCUMBRANCES.** Seller warrants that entry into this Contract will not cause 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 Buyer in writing.

9. **POSSESSION.** Buyer is entitled to possession of the property from and after the date of this Contract, or the date all documents are recorded and the Buyers' down payment is made available to Seller whichever is later.

10. **TAXES, ASSESSMENTS AND UTILITY LIENS.** Buyer agrees to pay by the date due all taxes and assessments becoming a lien against the property after the date of this Contract. Buyer 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. Buyer 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, Buyer may demand in writing payment of such taxes and penalties within 30 days. If payment is not made, Buyer may pay and deduct the amount thereof plus 5% penalty from the payments next becoming due Seller under the Contract. (See optional clause 32)

11. **INSURANCE.** Buyer 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 Buyer 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 Buyer. Buyer 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 Buyer 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

Seller's Initials

Buyer's Initials

shall be applied upon any amounts due hereunder in such order as the Seller shall determine. In the event of forfeiture, all rights of Buyer in insurance policies then in force shall pass to Seller. (See optional Clause 32)

12. NONPAYMENT OF TAXES, INSURANCE AND UTILITIES CONSTITUTING LIENS. If Buyer 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 Buyer 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. (See optional Clause 32)

13. CONDITION OF PROPERTY. Buyer 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. Buyer agrees to maintain the property in such condition as complies with all applicable laws.

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

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

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

17. CONDEMNATION. Seller and buyer may each appear as owners of an interest in the property in any action concerning condemnation of any part of the property. Buyer 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 Buyer 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.

18. DEFAULT. If the Buyer 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

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

(c) **Forfeit Buyer'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 Buyer and all persons claiming through the Buyer shall be terminated; (ii) the Buyer'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) Buyer 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.** Given Buyer written notice demanding payment of said delinquencies and payment of a late charge of 5%, a default interest rate of 18% of the amount of such delinquent payments and payment of Seller's reasonable attorney's fees and costs (at 18% interest) 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 Buyer or personally delivered to the Buyer, the entire balance owing, including interest at 18%, will become immediately due and payable. Seller may thereupon institute suit for payment of such balance, interest, late charge and reasonable attorney's fees and costs.

(e) **Judicial Foreclosure.** Sue to foreclose this contract as a mortgage, in which event Buyer may be liable for a deficiency and a default interest rate of 18%.

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

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

21. 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.

ORUAR
Seller's Initials

[Signature]
Buyer's Initials

22. **ATTORNEYS' FEES AND COSTS.** In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorneys' 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 attorneys' fees and costs incurred in such suit or proceedings.

23. **NOTICES.** Notices shall be either personally served or shall be sent certified mail, return receipt requested and by regular first class mail to Buyer at

25406 Walker Valley Rd, Mt. Vernon, WA. 98274

and to Seller at: C/O Galloway Law Group PLLC, P.O. Box 425, Lake Stevens, WA 98258
with personal service to: 12101 N. Lakeshore Dr. Lake Stevens, WA. 98258.

or such other addressee 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.

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

25. **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 Buyer.

26. **OPTIONAL PROVISION - ALTERATIONS.** Buyer 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. (INITIALS REQUIRED)

INITIALS: SELLER

BUYER

27. **OPTIONAL PROVISION - DUE ON SALE.** If Buyer, 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 foreclosure or trustee or sheriff's sale of any of the Buyer'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 Buyer 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 Buyer, 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 condemnor agrees in writing that the provisions of this paragraph apply to any subsequent transaction involving the property entered into by the transferee. (INITIALS REQUIRED)

INITIALS: SELLER

BUYER

28. **OPTIONAL PROVISION - PERIODIC PAYMENTS ON TAXES AND INSURANCE.** In addition to the periodic payments on the purchase price, Buyer 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 \$ 490.00 per month. Such reserve payments from Buyer shall not accrue interest. Seller shall pay when due all real estate taxes and insurance premiums, if any, and debt the amounts so paid to the reserve account. Buyer and Seller shall adjust the reserve account in April of each year to reflect excess or deficit balances and changed costs. Buyer agrees to bring the reserve account balance to a minimum of \$10 at the time of adjustment. (INITIALS REQUIRED)

INITIALS: SELLER

BUYER

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

Seller's Initials

Buyer's Initials

30. ENTIRE AGREEMENT/COUNTERPARTS. 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 Buyer. THIS AGREEMENT MAY BE SIGNED IN COUNTERPARTS WITH EACH SIGNATURE BEING A PART HEREOF AS IF SIGNED AT THE SAME TIME AND LOCATION.

SIGNATURE PAGE

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

SELLER

BUYER

Judy F. Moo Grant, Co-Personal Representative
For the Estate of Laura Belle Frondorf (Deceased)

Jennifer L. Lewis

Walter R. Moo, Jr. Co-Personal Representative
For the Estate of Laura Belle Frondorf (Deceased)

Nicholas C. Lewis

STATE OF WASHINGTON)

STATE OF WISCONSIN)

COUNTY OF) ss.

COUNTY OF) ss.

On this day personally appeared before me

On this day personally appeared before me

Judy F. Moo Grant
to me known to be the individual 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.

Walter R. Moo, Jr.
to me known to be the individual 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
day of , 2015

GIVEN under my hand and official seal this
day of , 2015

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

Notary Public in and for the State of Wisconsin,
residing at

STATE OF WISCONSIN)

COUNTY OF) ss.

On this day personally appeared before me

Jennifer L. Lewis and Nicholas C. Lewis
to me known to be the individual described in and
who executed the within and foregoing instrument, and
acknowledged that THEY signed the
same as THEIR free and voluntary act and deed, for
the uses and purposes therein mentioned.

GIVEN under my hand and official seal this
day of , 2015

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

Seller's Initials

Buyer's Initials

UNOFFICIAL DOCUMENT

Government Lot 2, and the Southwest Quarter of the Northeast Quarter of Section 5, Township 33 North, Range 5 East, W.M., EXCEPT County road right of way AND EXCEPT those portions conveyed to Skagit County for road purposes by deeds dated February 8, 1937, and recorded March 9, 1937, under Auditor's File Nos. 287481 and 287482, records of Skagit County, Washington. Situated in Skagit County, Washington.