



201706260156

Skagit County Auditor

\$75.00

6/26/2017 Page

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3 11:51AM

Return Address:

Document Title:

Promissory Note

Reference Number (if applicable):

Grantor(s):

additional grantor names on page ____.

- 1) Milo M Sligar
- 2) Debbora Sligar

Grantee(s):

additional grantor names on page ____.

- 1) Hjean Sligar Shakstad
- 2) Paul A. Shakstad

Abbreviated Legal Description:

full legal on page(s) ____.

Tract 2 SP 36-78
10/34/04

Assessor Parcel /Tax ID Number:

additional parcel numbers on page ____.

P24464

UNOFFICIAL DOCUMENT

PROMISSORY NOTE

Maker: Mile M. Sligar & Debbra J. Sligar

Date of Making: June 21 2017

Principal Amount: \$ 290,000.00

Interest Rate: 5% per annum

1. Terms. The undersigned ("Maker"), for value received, promises to pay to the order of Hjean Sligar Shakstad and Paul A. Shakstad ("Payee or Holder"), at 3550E 4000N Kimberly Idaho 83341 or such other place or places as may be designated by Holder, the principal sum of (\$ 290,000.00), in lawful currency of the United States of America together with interest thereon as provided hereunder, which such principal and interest shall be payable as follows:

1.1 Note to Mature 1 year from making. On the Maturity Date, the entire balance of principal and accrued interest, if any, shall be due and payable in full without further notice or demand.

1.2 The unpaid principal balance of this Note shall bear interest from and after the Date of Making specified above at the rate of FIVE(5%) per annum, compounded annually. If this Note is not paid in full on or before the Maturity Date, all sums evidenced hereby shall bear interest at the lesser of Five(5%) or the highest rate allowed by law, until paid. All payments hereunder shall be applied first to fees, charges, including late charges, attorneys' fees and costs, if any, then to interest and then to principal.

2. Prepayment. Maker shall have the right of prepayment, in whole or in part, without penalty.

3. Immediately Available Funds. All payments made under this Note, whether on account of the principal or interest, shall be made in immediately available funds, without any setoff or counterclaim, and free and clear of and without deduction for or on account of all present and future fees, deductions, withholdings, restrictions or conditions of whatsoever nature, if any, now or hereafter imposed, levied, calculated, withheld or assessed. "Immediately available funds" shall mean funds tendered without conditions or restrictions on release and in a medium which is subject to immediate deposit and/or credit without confirmation, clearance period, waiting or other delay for or restriction on immediate use, or negotiation. Acceptance of any payment made otherwise than in immediately available funds shall not constitute a waiver of the right to require payment in immediately available funds.

4. Default. If default is made in the payment of principal or interest when due, or if default is made in the Maker's performance or observance of any of the covenants, terms or provisions of that certain Consulting Agreement of even date herewith between Maker and Holder (the "Consulting Agreement") and Maker fails to cure such default within the applicable cure period provided in the Consulting Agreement, if any, then the whole sum of principal and accrued interest shall, at the option of the Holder, become immediately due and payable. This option to accelerate shall be in addition to any other rights or remedies available to Holder in equity or at law, and shall continue until all defaults under this Note and/or the Consulting Agreement have been cured. Failure to exercise such option, or any other right the Holder may have or be entitled to in such event, shall not constitute a waiver of the right to exercise such option or other rights in the event of any subsequent default. In the event of default under this Note and/or the Consulting Agreement, Maker agrees to pay all costs incurred in collecting the sums due hereunder, including, without limitation, reasonable attorneys' fees and costs through all levels of action, escrow charges, the costs of any notice of default hereunder, whether suit be brought or not. Time is of the essence of this Note.

5. Modifications. The Maker agrees that the Holder may extend the time of payment or otherwise modify the terms of payment of any part or the whole of the indebtedness evidenced hereby at any time at the request of anyone now or hereafter liable, and such consent shall not alter nor diminish the liability of any person or the enforceability of this Note. Each and every party now or hereafter signing or endorsing this Note binds himself and herself as a principal and not as a surety. All of the terms, covenants, provisions and conditions herein contained are made on behalf of, and shall apply to and bind the undersigned and their respective personal representatives, successors and assigns, jointly and severally.

6. Applicable Law. This Note shall be governed by Idaho law as an agreement entered into in said State and to be performed in said State.

7. Waiver. The Maker, sureties, guarantors and endorsers hereof severally waive presentment for payment, protest, notice or protest and of non-payment of this Note and agree that on default in payment of this Note, or any part, principal or interest, when due, the whole amount remaining unpaid shall, without notice of non-payment or demand of payment, immediately become due and payable.

8. Severability. If any one or more of the term, conditions or provisions of this Note shall be held unenforceable or invalid, the validity and enforceability of all other terms, conditions or provisions of this Agreement shall not be affected thereby.

9. Guaranty. The obligations of Maker under this Note are personally guaranteed by property listed bellow pursuant to that certain Unconditional Personal Guaranty of even date herewith.

Property 1.

Real property and building at Tract 2 of Short Plat No. 36-78 approved June 14, 1978, recorded June 14, 1978, under Auditors File No. 881430 in Book 2 of Short Plats at Page 228, records of Skagit County, Washington, being a portion of the Northwest 1/4 of the Northwest 1/4 of Section 10, Township 34 North, Range 4 East, W.M.

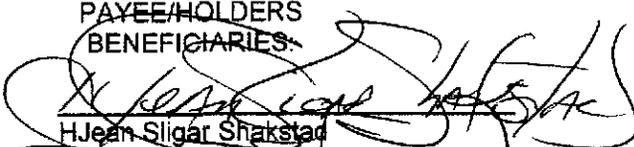
Situate in the County of Skagit, State of Washington

Subject to easements, restrictions and reservations of record

Tax Account Number 340310-2-006-0301 (P24464)

EXECUTED effective as of the Date of Making set forth above.

PAYEE/HOLDERS
BENEFICIARIES:


Jean Sligar Shakstad

Paul A. Shakstad

By:

MAKER:

Milo M Sligar Debra J. Sligar


Milo M. Sligar

Debra J. Sligar