



201710310209

Skagit County Auditor

\$84.00

10/31/2017 Page

1 of

11

4:00PM

CHICAGO TITLE
620032788

REAL ESTATE CONTRACT

Grantor:	Cynthia Lena Breen
Grantee:	Travis J. Sheldrake
Abbreviated Legal Description:	Stoffer's Add. To Sinclair Island Lot 3
Assessor's Property Tax Parcel or Account Number:	69784
Other Reference Numbers:	None

THIS CONTRACT is made and entered into this 26 day of October, 2017, (the "Effective Date") by and between the undersigned parties in consideration of the mutually beneficial terms and provisions hereof. It is now agreed as follows:

1. PARTIES. The parties to this Agreement are as follows:

- A. Cynthia Lena Breen, also shown of record as
Cynthia Breen Stull, a single person
6036 SE Mitchell Street
Portland, OR 97206

hereinafter called "Seller;" and

- B. Travis J. Sheldrake, a single person
1027 Bellevue Court East #602
Seattle, WA 98102

hereinafter called "Purchaser".

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

2017 5158
OCT 31 2017

Amount Paid \$ 5078
Skagit Co. Treasurer
By *[Signature]* Deputy

2. PROPERTY SOLD. Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, the following described real estate, with appurtenances, (hereinafter called "the Property") located in Skagit County, Washington:

Lot 3, STOFFER'S ADDITION, SINCLAIR ISLAND,
according to the plat thereof recorded in Vol. 8 of Plats, Page 69,
records of Skagit County, Washington,

subject to easements, reservations, restrictions, plat dedications and restrictive covenants, either of record or in apparent use, if any; and

together with all currently attached plumbing, irrigation, water, heating and lighting fixtures, equipment and solar panels, and other attached or built in appliances, all shades, curtain and drapery rods, screens and storm windows, linoleum and wall to wall carpeting attached to said Property, if any, and all propane fuel currently in the tank on the Property. The foregoing personal property is agreed by the parties to be of nominal value.

3. PRICE AND TERMS. The purchase price for the Property is Two Hundred Eighty Five Thousand and 00/100 Dollars (\$285,000.00) of which Fifty Seven Thousand and 00/100 Dollars (\$57,000.00) has been paid down, and the balance of said purchase price shall be paid as follows:

A. Interest and Payment Terms. The remainder of the purchase price, Two Hundred Twenty Eight Thousand and 00/100 Dollars (\$228,000.00), shall bear interest at the rate of four percent (4%) per annum on the declining principle balance thereof. Interest shall accrue from and after the date hereof. If not earlier paid, the entire balance of principal, interest and all other costs or expenses to be paid by Purchaser pursuant to the contract shall be paid no later than fifteen (15) years from the Effective Date of this contract.

B. Payments. Monthly payments of principal and interest, due from Purchaser to Seller, shall be in the amount of One Thousand Six Hundred Eighty Two and 00/100 Dollars (\$1,682.00). All payments shall be due on the second (2nd) day of each month, commencing with the month of November, 2017.

C. Prepayment. Prepayment of Purchaser's principal obligation shall be permitted. Any permitted prepayment shall be applied only upon final payments due hereunder, and shall not be prepayment of any interim monthly payments.

4. PLACE OF PAYMENTS. All payments to be made hereunder shall be made to Seller by way of a collection account to be established at a mutually agreeable escrow or title insurance company for disbursal to Seller, or at such other place as Seller may direct in writing. The cost of establishing and maintaining the collection account shall be paid in equal shares by Seller and Purchaser.

5. DATE OF CLOSING. As referred to in this contract the "Date of Closing" shall be the date this contract is recorded with the Auditor of Skagit County, Washington.

6. PAYMENT OF TAXES AND ASSESSMENTS. Purchaser assumes and agrees to pay before delinquency all taxes and assessments that may as between Seller and Purchaser hereafter become a lien upon the Property; and if by terms of this contract Purchaser has assumed payment of any mortgage, contract or other encumbrance, or has assumed payment of or agreed to purchase subject to any taxes or assessments now a lien on the Property, Purchaser agrees to pay the same before delinquency.

7. INSURANCE. Purchaser agrees, until the purchase price is fully paid, to keep the buildings and other improvements now and hereafter placed on the Property insured to the actual cash value thereof against loss or damage by both fire and windstorm and to maintain property owner's liability coverage, in a company acceptable to Seller and for Seller's benefit, as Seller's interest may appear, and to pay all premiums therefor and to deliver all policies and renewals thereof to Seller. Seller agrees that, in the event of any insured loss during the period of this contract, Purchaser may, at Purchaser's option, use any insurance funds remaining after payment of reasonable expenses of procuring the same to diligently restore or reconstruct the improvements located upon the Property to substantially the same condition as existed prior to the loss; provided, however, that Purchaser shall have the right to use the proceeds in this manner only if Purchaser is not in default under this contract at the time of the loss and only if Purchaser causes any insurance proceeds to be placed in a trust account or disbursement account, assuring the use of the funds for reconstruction or restoration as provided herein.

8. PURCHASER'S LIENS. Purchaser agrees, until the purchase price is fully paid, not to permit any judgment liens or other liens of whatsoever nature, arising from any action or claim against Purchaser, to remain on the Property for more than thirty (30) days. In the event any such lien is placed upon the Property, Purchaser agrees to pay the underlying obligation giving rise to the lien, or to assume the responsibility for instituting the proper legal action to clear the lien in a prompt and timely manner. In the event of suit or other action by any lien holder to enforce or foreclose such a lien, Purchaser agrees to indemnify Seller for all loss, costs and expense, including attorney's fees, incurred by Seller in defending against such suit or foreclosure action.

9. **SELLER'S LIENS.** Seller agrees, until the purchase price is fully paid, not to permit any judgment liens or other liens of whatsoever nature, arising from any action or claim against Seller, to remain on the Property for more than thirty (30) days. In the event any such lien is placed upon the Property, Seller agrees to pay the underlying obligation giving rise to the lien, or to assume the responsibility for instituting the proper legal action to clear the lien in a prompt and timely manner, or to apply all payments thereafter received from Purchaser (net of any payments thereafter due from Seller on any senior underlying interest to be paid by Seller) to the partial satisfaction of such lien. In the event of suit or other action by any lien holder to enforce or foreclose such a lien, Seller agrees to indemnify Purchaser for all loss, costs or expense, including attorney's fees, incurred by Purchaser in defending against such suit or foreclosure action.

10. **INSPECTION.** Purchaser agrees that full inspection of the Property and all improvements located thereon has been made by Purchaser and that neither Seller nor Seller's assigns shall be held to any covenant respecting the condition of any improvements thereon, nor shall Purchaser or Seller or the assigns of either be held to any covenant or agreement for alterations, improvements or repairs unless the covenant or agreement relied on is contained herein or is in writing and attached to and made a part of this contract.

11. **PURCHASE "AS IS" / NO WARRANTIES.** Buyer acknowledges and agrees that **BUYER IS PURCHASING THE PROPERTY AS IS, WHERE IS, AND WITH ALL FAULTS.** Seller makes no representations or warranties, express or implied, whatsoever to Purchaser with respect to the Property or the condition of the Property. This disclaimer includes but is not limited to the following: (a) the suitability, habitability, merchantability, or fitness of the Property for Buyer's intended use or any other use; (b) the Property's compliance with building, zoning or other laws or regulations; (c) the absence of any hazardous substances in, on or about the Property; (d) the absence of pests of any kind in, on or about the Property; or (e) the structural, mechanical, or general condition of the buildings and other improvements on the Property. Buyer accepts responsibility for all defects and conditions existing in, on and about the Property, including any that cannot be observed by casual inspection. Buyer acknowledges that there is no bridge or other land-route access to Sinclair Island which enables direct access to the Property from the mainland by motor vehicle; access to Sinclair Island is by private boat and water taxi only.

12. **REGULATIONS AND ZONING:** Purchaser agrees that Purchaser has had an opportunity to review all federal, state and local regulations, including but not limited to zoning regulations and regulations and standards affecting various permit applications,

and the effect that such regulations and requirements may have on the Property, including the effect of the same on any of Purchaser's prospective intended use or uses.

13. ASSUMPTION OF RISK. Purchaser assumes all hazards of damage to or destruction of any improvements now on the Property or hereafter placed thereon, and of the taking of the Property or any part thereof for public use; and agrees that no such damage, destruction or taking shall constitute a failure of consideration.

14. CONDEMNATION. In case any part of the Property is taken for public use, the portion of the condemnation award remaining after payment of reasonable expenses of procuring the same shall be paid to Seller and applied as payment on the purchase price; provided, however, that Purchaser shall have the right to apply such condemnation award to the rebuilding or restoration of any improvement so taken as long as Purchaser complies with the same terms and conditions as set forth for the similar use of an insurance award in the "Insurance" paragraph above.

15. TITLE INSURANCE. Seller has delivered, or agrees to deliver, within fifteen (15) days after the Date of Closing, a purchaser's policy of title insurance in standard form, or a commitment therefor, issued by a title insurance company licensed to conduct the title insurance business in the State of Washington, insuring Purchaser to the full amount of the said purchase price against loss or damage by reason of defect in Seller's title to the Property as of the date of closing and containing no exceptions other than the following:

- A. Printed general exceptions appearing in said policy form;
- B. Liens or encumbrances which by the terms of this contract Purchaser is to assume, or as to which the conveyance hereunder is to be made subject; and
- C. Any existing contract or contracts under which Seller is purchasing the Property, and any mortgage or other obligation, including all terms and provisions thereunder, which Seller by this contract agrees to pay after Date of Closing, none of which for the purposes of this paragraph shall be deemed defects in Seller's title;
- D. Easements, reservations, restrictions, plat dedications and restrictive covenants, either of record or in apparent use, if any.

16. NON-ASSIGNMENT. It is agreed that no right, title or interest to the Property herein sold or to the rights of Purchaser under this contract shall be assigned, given, sold or conveyed by Purchaser without the express written consent of Seller. If

any such conveyance of an interest in the Property or any of Purchaser's rights under this contract is made by Purchaser, then Seller may, at Seller's option, declare all sums secured by this contract to be immediately due and payable.

17. UNDERLYING INTERESTS. If Seller's title to the Property is subject to an existing contract or contracts under which Seller is purchasing the Property, or any mortgage or other obligation which Seller is to pay, Seller agrees to make such payments in accordance with the terms thereof. In the event of Seller's default as to any underlying obligation, Purchaser shall have the right to make any payments necessary to cure the default (including any penalty, interest, or late charges properly assessed against Seller) and any payments so made shall be credited to the payments next falling due to Seller under this contract.

18. DEED UPON PERFORMANCE. Seller agrees, upon receiving full payment of the purchase price and interest in the manner above specified, and upon receiving all other payments or sums due to Seller under this contract, to execute and deliver to Purchaser a statutory warranty fulfillment deed to the Property, excepting any part thereof hereafter taken for public use, and free of encumbrances except any that may attach after the Date of Closing through any person other than Seller, and subject to the following: easements, reservations, restrictions, plat dedications and restrictive covenants, either of record or in apparent use, if any.

19. POSSESSION AND USE. Unless a different date is provided for herein, Purchaser shall be entitled to possession of the Property on the Date of Closing and to retain possession so long as Purchaser is not in default hereunder. Purchaser covenants and agrees not to structurally alter, remove, or demolish any buildings or any other improvements now located or hereafter placed on the Property without the advance written consent of Seller. Purchaser also covenants and agrees to keep all buildings and improvements now located or hereafter placed on the Property in good repair, and not to permit waste of the Property, and not to use (or permit the use of) the Property for any illegal purpose. Purchaser covenants to pay all service, installation or construction charges for water, sewer, electricity, garbage or other utility services furnished to the Property after the date Purchaser is entitled to possession.

20. SELLER'S RIGHT TO MAKE PAYMENTS. In case Purchaser fails to make any payment herein provided, including but not limited to taxes, liens or assessments, or to maintain insurance as herein required, Seller may make such payment or effect such insurance, and any amounts so paid by Seller, together with interest at the rate of eight percent (8 %) per annum thereon from the date of payment until repaid, shall

be repayable by Purchaser on Seller's demand, all without prejudice to any other right Seller might have by reason of such default.

21. PURCHASER'S DEFAULT. Purchaser shall be in default under this contract if: (a) Purchaser fails to observe or perform any term, covenant or condition set forth in this contract or those of any prior encumbrances on the Property to be assumed by Purchaser, or (b) Purchaser fails or neglects to make any payment of principal or interest or any other amount required to be discharged by Purchaser precisely when obligated to do so, or (c) Purchaser becomes or is declared insolvent or makes an assignment for the benefit of creditors, or files any petition or any petition is filed against Purchaser under any bankruptcy, wage earners, reorganization or similar act, or (d) Purchaser permits the Property or any part thereof or Purchaser's interest therein to be attached or in any manner restrained or impounded by process of any court, or (e) Purchaser abandons physical possession of the Property for more than one hundred and twenty (120) consecutive days (unless the Property is otherwise occupied), or (f) Purchaser conveys the Property or a portion thereof without the prior written consent required herein of Seller.

22. SELLER'S REMEDIES. In the event Purchaser is in default under this contract, Seller may, at Seller's election, take the following courses of action:

A. Suit for Delinquencies. Seller may institute suit for any installment amounts or other sums due and payable under this contract as of the date of the judgment and any sums which have been advanced by Seller as of said date pursuant to the provisions of this contract, together with interest on all of said amounts at the default rate from the date each such amount was advanced or due, as the case may be, to and including the date of collection.

B. Acceleration. Upon giving Purchaser not less than fifteen (15) days written notice of Seller's intent to do so (within which time any monetary default may be cured without regard to the acceleration), and if the default is in the nature of a failure to timely pay any principal, interest, insurance premium, tax, or other sum of money required to be paid by this contract or any failure to obtain any consent of Seller herein required for a conveyance of Purchaser's title to the Property, or if Purchaser commits waste on the Property, Seller may declare the entire unpaid balance of the purchase price and all interest then due thereon to be immediately due and payable and institute suit to collect such amounts, together with any sums advanced by Seller pursuant to the provisions of this contract, and together with interest on all of said sums at the default rate of eight percent (8%) per annum from the due date or date of each such advance to and including the date of collection.

C. Forfeiture and Repossession. The Seller may cancel and render void all right, title and interest of Purchaser and Purchaser's successors and assignees in this contract and in the Property (including all of Purchaser's then existing right, interest and estate in timber, crops and improvements thereon) by giving a Notice of Intent to Forfeit pursuant to RCW Chap. 61.30, and said cancellation and forfeiture shall become effective if the default therein specified has not been fully cured within ninety (90) days thereafter and Seller thereafter records a Declaration of Forfeiture pursuant to RCW Chap. 61.30. Upon the forfeiture of Purchaser's interest under this contract, Seller may retain all payments made hereunder by Purchaser and may take possession of the Property ten (10) days following the date Purchaser's interest under this contract is forfeited and thereafter summarily eject Purchaser and any person or persons having possession of the Property by, through or under Purchaser who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture. In the event Purchaser or any person or persons claiming by, through or under Purchaser who were properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture remain in possession of the Property more than ten (10) days after such forfeiture, Purchaser, or such person or persons, shall be deemed tenants at will of Seller and Seller shall be entitled to institute an action for summary possession of the Property, and may recover from Purchaser or such person or persons in any such proceedings the fair rental value of the Property for the use thereof from and after the date of forfeiture, plus costs, including Seller's reasonable attorney's fees.

D. Specific Performance. Seller may institute suit to specifically enforce any of Purchaser's covenants hereunder, and the same may include redress by mandatory or prohibitive injunction.

23. CUMULATIVE REMEDIES; WAIVERS. The remedies stated herein are cumulative and not mutually exclusive and Seller or Purchaser may pursue any other or further remedies to enforce their respective rights under this contract; provided, however, except as provided in this contract with respect to Purchaser's transfer of the Property, Seller shall not have the right to accelerate the remaining balance of the purchase price in the event Seller elects to forfeit the Purchaser's interest in the Property and such forfeiture is being enforced or is completed. In any action or proceeding to recover any sum or to enforce any remedy provided for herein, no defense of adequacy of security or that resort must first be taken against any particular security or any other person shall be asserted, and Purchaser hereby expressly waives any legal or equitable rights that Purchaser may have with respect to marshaling of assets. Seller shall not be required to tender its deed or bill of sale as a condition precedent to the enforcement of any remedy hereunder. In the event any check is tendered which is not honored upon first presentation because of any stop payment directive or insufficient funds, the payee's

rights shall be reinstated as if such check had not been delivered. No waiver of any rights of either party under this contract shall be effective unless specifically evidenced in a written agreement executed by the waiving party. Any forbearance, including, without limitation, a party's acceptance of any payment after the due date or any extension thereof, shall not be considered a waiver of such party's right to pursue any remedy hereunder for subsequent defaults of the same or a different nature or for breach of any other term, covenant or condition hereof.

24. NOTICES. Any notice, declaration, demand or communication to be given by any party to this contract to any other party shall be in writing and transmitted to the other party by either personal delivery of the notice or by mailing the notice by certified mail, return receipt requested, addressed as to the other party at the address first stated above. Any party may change its address for notice by giving written notice thereof to the other parties in the manner provided above; provided, however, that in no event shall Seller be required to send any notice to more than one (1) addressee. The mailing of any such notice as herein provided shall be sufficient service thereof. Service shall be complete when such notice is certified and placed in the United States mail as shown by the cancellation stamp or postage meter stamp, as the case may be.

25. COSTS AND ATTORNEY'S FEES. If either party shall be in default under this contract, the non-defaulting party shall have the right, at the defaulting party's expense, to retain an attorney or collection agency to make any demand, enforce any remedy, or otherwise protect or enforce its rights under this contract. The defaulting party hereby promises to pay all costs and expenses so incurred by the non-defaulting party, including, without limitation, arbitration and court costs, collection agency charges, notice expenses, title search expenses, and reasonable attorney's fees (with or without arbitration or litigation), and the failure of the defaulting party to promptly pay the same shall in itself constitute a further and additional default. In the event either party hereto institutes any action (including arbitration) to enforce the provisions of this contract, the prevailing party in such action shall be entitled to reimbursement by the losing party for its court costs and reasonable attorney's fees, including such costs and fees that are incurred on appeal. All reimbursements required by this paragraph shall be due and payable on demand, may be offset against any sum owed to the party so liable in order of maturity, and shall bear interest at the default rate from the date of demand to and including the date of collection or the due date of any sum against which the same is offset.

26. LATE PAYMENT CHARGE. Purchaser shall have a grace period of five (5) days in which to make any payment owed to Seller pursuant to the "Price and Terms" paragraph. Any payment not made within this grace period shall automatically accrue a

late charge in the amount of One Hundred and no/100s Dollars (\$100.00) for each such overdue payment. Any contract payment not made within an additional fifteen (15) days thereafter shall, in addition, bear interest at the rate of eight percent (8%) per annum (the "default rate") from the date of default. The imposition, charge, or payment of any late payment charge pursuant to this paragraph shall be in addition to any other remedies available to Seller pursuant to the terms of this contract.

27. LEGAL REPRESENTATION. Seller and Purchaser understand and acknowledge that this contract has been prepared by Mullins Law Firm, PLLC, acting as attorney for and on behalf of Seller regarding the negotiation of the terms of, and the drafting of, this contract. Seller and Purchaser further understand and acknowledge that Mullins Law Firm, PLLC, cannot and does not advise or represent any other party to this agreement. Purchaser acknowledges that Mullins Law Firm, PLLC, has told Purchaser that Purchaser should consult with and be represented by independent legal counsel of Purchaser's own choosing regarding the negotiation of the terms of, and the drafting of, this contract. Purchaser has consulted with independent legal counsel of Purchaser's own choosing to the full extent that Purchaser desires prior to signing this contract, or has independently and voluntarily decided that Purchaser will not be represented by independent legal counsel in this matter.


IN WITNESS WHEREOF, the parties hereto have executed this instrument on the dates stated below, this contract to be effective as of the Effective Date first written above.

Dated this October 26, 2017.

Dated this October 28, 2017

SELLER

PURCHASER

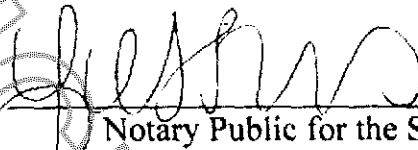

Cynthia Lena Breen


Travis J. Sheldrake

State of Washington)
: ss.
County of Skagit)

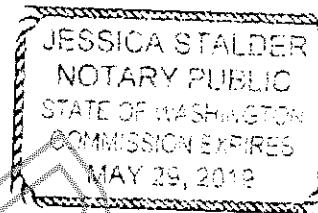
I certify that I know or have satisfactory evidence that Cynthia Lena Breen is the person who appeared before me, and said person acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 10/26/17



Notary Public for the State of Washington

My appointment expires 5/29/19



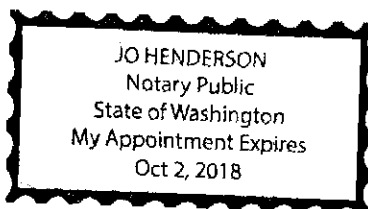
State of Washington)
KING : ss.
County of ~~Skagit~~)

I certify that I know or have satisfactory evidence that Travis J. Sheldrake is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 10/28/2017



Notary Public for the State of Washington



My appointment expires 10/02/2018