

AFTER RECORDING MAIL TO

Shultz Law Offices
127 E Fairhaven Avenue
Burlington, WA 98233



201803150114

Skagit County Auditor

\$82.00

3/15/2018 Page

1 of

9 1:43PM

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

2018 1017
MAR 15 2018

Amount Paid \$ 3,120.00
Skagit Co. Treasurer
By BZ Deputy

REFERENCE NUMBER OF RELATED DOCUMENT:

N/A

GRANTORS:

PIEDAD MARITZA SANCHEZ, a
married woman as her separate estate
JOSUE TORRES, a single man,
individually

GRANTEE:

ABBREVIATED LEGAL DESCRIPTION:

LOT 283, PLAT OF SKAGIT
HIGHLANDS DIVISION V
(PHASE 1)
(full legal attached as Schedule "A-
1")

ASSESSOR'S TAX PARCEL NUMBER:

4915-000-283-0000, P125495

**REAL ESTATE CONTRACT
(Residential Short Form)**

1. PARTIES AND DATE. This Contract is entered into this 9th day of March, 2018, between PIEDAD MARITZA SANCHEZ, a married woman as her separate estate, as "Seller", and JOSUE TORRES, a single man, individually, as "Buyer". Seller and Buyer shall be referred to collectively hereafter as "Parties".

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:

See attached Schedule "A-1".

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

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

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

Less \$ 175,000.00
 Less ~~\$ 116,599.21~~ 119,321.14
 Less \$ 55,678.86 (as of Mar. 8, 2018)
 Results in \$ 0.00

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

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

5. (a) ASSUMED OBLIGATIONS; FAILURE TO MAKE PAYMENTS. The Buyer agrees to assume and to pay the following obligation(s), which obligation(s) must be paid in full not later than the maturity of said obligation:

That certain Deed of Trust dated December 23, 2011
 Recorded as AF# 201112290012, as modified by 201507220037

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

6. (a) OBLIGATIONS TO BE PAID BY SELLER. The Seller agrees to pay the following obligation(s), which obligation(s) must be paid in full not later than the maturity of each said obligation. For liens and/or judgments with no maturity date, such shall be paid in full not later than the maturity of the Deed of Trust obligation assumed by Buyer under Paragraph 5.(a) above (January 1, 2042):

That certain Partial Claim Deed of Trust dated May 5, 2015
 Recorded as AF# 201507220038

That certain City of Mount Vernon Sewer Lien dated April 29, 2014; October 29, 2014; April 23, 2015; May 29, 2015; November 25, 2015
 Recorded as AF# 201404290029, 201410290036, 201504230063, 201505290097, 201511250016

That certain Default Judgment dated April 15, 2016
 Superior Court# 15-2-01475

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

7. **ACCOUNTING.** This Agreement is specifically subject to periodic review of balances of those obligations to be paid by Seller, as provided in Paragraph 6(a) above. Once every four months and so long as this Agreement remains in effect, Buyer may request from Seller and Seller shall provide and shall deliver to Buyer within 15 days of the request, a true and accurate copy of the payoff balance for each obligation identified in Paragraph 6(a) above, evidencing efforts to pay down those obligations. In addition to the payoff balances, Seller agrees to and shall cooperate in providing any additional financial information that Buyer may deem necessary or relevant to this ongoing Agreement. Such information shall not be unreasonable withheld.

8. **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:

N/A

9. **FULFILLMENT DEED.** Upon payment of all amounts due Seller, Seller agrees to deliver to Buyer a Statutory Warranty 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. **All representations, warranties, and agreements made by Buyer and Seller in this Real Estate Contract shall survive the execution and recording of the aforementioned Statutory Warranty Deed, shall be continuing in nature, and shall remain in full force and effect until such time as Buyer and Seller have each performed their respective obligations provided in this Real Estate Contract.**

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

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

12. TAXES, ASSESSMENTS, AND UTILITY LIENS. Buyer agrees to pay by the date due all taxes and assessments which may become liens superior to Seller's interest under this Contract and which may become due and owing on or after August 1, 2016. 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, and which become due and owing on or after August 1, 2016. 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.

13. 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 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.

14. 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 attorneys' fees incurred in connection with making such payment.

15. 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.

16. 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.

17. 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.

18. 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.

19. 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 RCW 61.30, *et seq.*, 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. Give Buyer written notice demanding payment of said delinquencies and payment of a late charge of 5% of the amount of such delinquent payments and payment of Seller's reasonable attorney's fees and costs incurred for services to 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, will become immediately due and payable. Seller may thereupon institute suit for payment of such balance, interest, late charge, and reasonable attorneys' fees and costs.

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

20. 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.

21. 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.

22. 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.

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

24. 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 5317 Razor Peak Drive, Mount Vernon, WA 98273, and to Seller at 563 Neff Circle, Burlington, WA 98233, or such other addresses as either party may specify in writing to the other party hereafter. Notices shall be deemed given when served or mailed. Notice to Seller shall also be sent to any institution receiving payments on the Contract.

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

26. 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.

27. 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.

SELLER

pmx

INITIALS:

BUYER

J. T.

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

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

IN WITNESS WHEREOF the parties have signed and sealed this Contract the 9th day of MARCH, 2018.

SELLER:


PIEDAD MARITZA SANCHEZ, AS HER
SEPARATE ESTATE

BUYER:


JOSUE TORRES

ACKNOWLEDGMENTS:

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

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

GIVEN under my hand and official seal the 9th day of March, 2018.



K. Collins
Notary Public in and for the State of Washington
Residing at 141 Vernon Skagit County
My Appointment Expires: April 11, 2021

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

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

GIVEN under my hand and official seal the 9th day of March, 2018.



K. Collins
Notary Public in and for the State of Washington
Residing at 141 Vernon Skagit County
My Appointment Expires: April 11, 2021

Schedule A-1

Legal Description

LOT 283, "PLAT OF SKAGIT HIGHLANDS DIVISION V (PHASE 1)", AS PER PLAT
RECORDED ON DECEMBER 21, 2006 UNDER AUDITOR'S FILE NO. 200612210067,
RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATED IN THE CITY OF MOUNT VERNON, COUNTY OF SKAGIT, STATE OF
WASHINGTON.