

**Prepared by, recording requested by,
and when recorded mail to:**

Point Digital Finance, Inc.
PO Box 192
Palo Alto, CA 94302
point.com

Option Agreement ID: 2019032-UFUWU

(Space Above for Recorder's Use)

Document Title(s):

1. Memorandum of Point Digital Finance Option Purchase Agreement

Reference Number(s) of Documents assigned or released (if applicable):

Not applicable

Grantor(s):

1. Kevin W. Conner
2. Julie M. Conner

Beneficiary:

1. Point Digital Finance, Inc., a Delaware corporation

Abbreviated Legal Description (lot, block and plat name, or section-township-range):

Lot 51, Meadow Phase 1, Volume 15 Page 167 through 172

[x] Complete legal description is on page 7 of document

Assessor's Property Tax Parcel Account Number:

P104984

"I am signing below and paying an additional \$50 recording fee (as provided in RCW 36.18.010 and referred to as an emergency nonstandard document), because this document does not meet margin and formatting requirements. Furthermore, I hereby understand that the recording process may cover up or otherwise obscure some part of the text of the original document as a result of this request."

Signature of Requesting Party

Note to submitter: Do not sign above nor pay additional \$50 fee if the document meets margin/formatting requirements

**MEMORANDUM OF POINT DIGITAL FINANCE OPTION
PURCHASE AGREEMENT**

This **MEMORANDUM OF POINT DIGITAL FINANCE OPTION PURCHASE AGREEMENT** ("**Memorandum**") is entered into as of June 9, 2019 ("**Effective Date**"), by and between Kevin W. Conner and Julie M. Conner (individually or collectively "**Owner**"), and Point Digital Finance, Inc., a Delaware corporation, and its successors and assignees ("**Benefited Party**").

RECITALS

A. Owner hereby declares that as of the Effective Date, Owner and Benefited Party have entered into that certain unrecorded Point Digital Finance Option Purchase Agreement ("**Option Agreement**"), which is hereby incorporated into this Memorandum as if set forth in full, pursuant to which Owner grants and conveys to Benefited Party the option to purchase ("**Option**") an undivided percentage interest (the "**Option Percentage**") of fee simple title ownership in and to that certain real property and improvements thereon in **County of Skagit, State of Washington**, as more particularly described in Schedule A attached hereto and incorporated herein by this reference, and commonly known as **2426 W Meadow BLVD, Mount Vernon, WA 98273** ("**Property**"). In exchange for granting the Option to Benefited Party, Benefited Party paid to Owner an Option Investment Payment equal to **\$38,000.00**.

B. Pursuant to the Option Agreement, Owner has made certain covenants and promises to, or for the benefit of, Benefited Party in connection with the Property, all as more particularly described, and on the terms and conditions stated in the Option Agreement.

C. The parties have executed and recorded this Memorandum to give notice of the Option Agreement and certain rights and responsibilities of Owner as to the Benefited Party, as well as the covenants and promises set forth in the Option Agreement that run with the land and will be binding upon any party who acquires Owner's interest in the Property so long as the Option Agreement has not expired or been terminated.

NOW, THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. The Option is irrevocable by Owner.
2. The initial term of the Option shall commence on the Effective Date and shall expire on **June 9, 2029**.
3. Every person or entity who now or hereafter owns or acquires any right, title or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to every restriction, provision, covenant, right and limitation contained in the Option Agreement and this Memorandum, whether or not such person or entity expressly assumes such obligations or whether or not any reference to the Option Agreement or this Memorandum is contained in the instrument conveying such interest in the Property to such person or entity.
4. Covenants. The Option Agreement covenants are deemed to be covenants running with the land, so as to give it the broadest possible application, and include, without limitation:
 - a. restrictions on Owner's right to transfer the Property without giving prior written notice to

- b. requirements that Owner maintain insurance on the Property against certain hazards and risks.
- c. restrictions on Owner's ability to increase the amount of debt to third parties secured by liens on the Property as specified in the Option Agreement.
- d. requirements that Owner keep the Property free of liens not approved by Benefited Party.
- e. requirements that Owner protect and maintain the Property.

5. This Memorandum may be executed in counterparts, each of which, when taken together, shall be deemed one fully executed original.

6. This Memorandum shall remain in full force and effect until released by a written termination or quitclaim deed executed and notarized by Benefited Party and recorded in the real property records for the county where the Property is located, or until extinguished by operation of law.

7. All notices or other written communications in connection with this Memorandum shall be delivered in accordance with the applicable terms and conditions of the Option Agreement to the address of the party listed below, unless a party has been notified by the other party in writing of a substitute address:

| | |
|---|--|
| POINT: Point Digital Finance, Inc. PO Box 192 Palo Alto, CA 94302 <u>Personal or Overnight Delivery:</u> Point Digital Finance, Inc. Attn: Chief Executive Officer - NOTICES 635 High Street Palo Alto, California 94301 Fax: 650-434-3778 Email: notices@point.com | OWNER: Kevin W. Conner and Julie M. Conner 2426 W Meadow BLVD Mount Vernon, WA 98273 |
|---|--|


[Signatures on Following Page]

READ THIS DOCUMENT CAREFULLY BEFORE SIGNING IT. ALL PRIOR ORAL, ELECTRONIC AND WRITTEN COMMUNICATIONS AND AGREEMENTS FROM OR WITH BENEFITED PARTY, INCLUDING ALL CORRESPONDENCE, OFFER LETTERS, PRINTED MATERIALS, AND DISCLOSURES, ARE MERGED INTO AND SUPERSEDED AND REPLACED BY THIS MEMORANDUM OF POINT DIGITAL FINANCE OPTION PURCHASE AGREEMENT, THE OTHER OPTION DOCUMENTS, AND THE OTHER WRITTEN AGREEMENTS MADE BY AND BETWEEN OWNER AND BENEFITED PARTY AS OF THE EFFECTIVE DATE.

IN WITNESS WHEREOF, the undersigned Benefited Party and Owner have each executed this Memorandum as of the date set forth above.

BENEFITED PARTY:

Point Digital Finance, Inc., a Delaware corporation

By:  Date: 06/06/2019
Name: Matthew Brady Title: Assistant Secretary

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Santa Clara) §

On 06/06/2019, before me, Michael George Smith,

Notary Public, personally appeared Matthew Brady
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



(Signature of Notary)



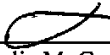
(Seal of Notary)

READ THIS DOCUMENT CAREFULLY BEFORE SIGNING IT. ALL PRIOR ORAL, ELECTRONIC AND WRITTEN COMMUNICATIONS AND AGREEMENTS FROM OR WITH BENEFITED PARTY, INCLUDING ALL CORRESPONDENCE, OFFER LETTERS, PRINTED MATERIALS, AND DISCLOSURES, ARE MERGED INTO AND SUPERSEDED AND REPLACED BY THIS MEMORANDUM OF POINT DIGITAL FINANCE OPTION PURCHASE AGREEMENT, THE OTHER OPTION DOCUMENTS, AND THE OTHER WRITTEN AGREEMENTS MADE BY AND BETWEEN OWNER AND BENEFITED PARTY AS OF THE EFFECTIVE DATE.

IN WITNESS WHEREOF, the undersigned Benefited Party and Owner have each executed this Memorandum as of the date set forth above.

OWNERS:

By:  Date: 6.7.19
Kevin W. Conner

By:  Date: 6-7-19
Julie M. Conner

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Washington)
County of Skagit) §

On June 7, 2019,

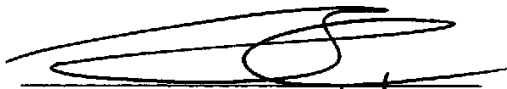
before me, Bree Campbell, Notary Public,

personally appeared Kevin W. Conner, Julie M
Conner

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Washington that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.


(Signature of Notary) 2/15/21



SCHEDULE A

LEGAL DESCRIPTION

The land hereinafter referred to is situated in the City of Mount Vernon, County of Skagit, State of WA, and is described as follows:

Lot 51, the Meadow-Phase 1, a Planned Unit Development Plat, according to the plat thereof recorded in Volume 15 of Plats, Page 167 through 172, records of Skagit County, Washington.

Situated in Skagit County, Washington.

APN: P104984

[end of legal description]

Option Agreement ID: 2019032-UFUWU

**Planned Unit Development Rider
to
Point Digital Finance Option Purchase Agreement**

THIS PLANNED UNIT DEVELOPMENT RIDER is entered into as of June 9, 2019, and is incorporated into and shall be deemed to amend and supplement the Point Digital Finance Option Purchase Agreement that is entered into as of the same date by and between Kevin W. Conner and Julie M. Conner and Point Digital Finance, Inc., a Delaware corporation (the "**Option Agreement**") with respect to that certain real property and improvements thereon commonly known as 2426 W Meadow BLVD, Mount Vernon, WA 98273. "**We**", "**us**", "**our**" and "**Point**" refer to Point Digital Finance, Inc. and its successors and assigns. "**You**", "**your**" and "**Owner**" refer to Kevin W. Conner and Julie M. Conner and Owner's heirs and permitted assigns under the Option Agreement. Capitalized terms used but not defined in this PUD Rider shall have the meanings set forth in the Option Agreement.

Recital

This PUD Rider is being entered into in connection with the Option Agreement because the Property (as defined below) is part of a planned unit development known as The Meadow at Mount Vernon (the "**PUD**"). The Property also includes Owner's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "**Association**") and the uses, benefits and proceeds of Owner's interest.

Agreement

In addition to the covenants and agreements made in the Option Documents, Point and Owner further covenant and agree as follows:

1. Definitions. The following new or modified definitions shall apply to the PUD Rider and the Option Agreement:

Agreement. Shall be as defined in the Option Agreement and shall also include this PUD Rider.

Governing Documents. The governing documents of the PUD and the Association, including (a) declaration of covenants, conditions and restrictions or any other document that creates the PUD; (b) by-laws; (c) code of regulations; and (d) other equivalent documents, as each may be in effect from time to time.

Option. The Option means an exclusive and irrevocable option to purchase (a) an undivided percentage interest of fee simple title ownership in and to the Owner's parcel of land improved with a dwelling ("**Owner's Home**"), and (b) a right or easement to use any other parcels and common areas and facilities of the PUD as further described in the Governing Documents (the "**Common Elements**").

Option Documents. Shall be as defined in the Option Agreement and shall also include this PUD Rider.

Owner. In the case of a Property that is part of a PUD, as of the Effective Date, an Owner shall be all of the persons or entities, individually and collectively, who appear on the record title to the Property as holding fee simple title to 100% of Owner's Home and the respective right or easement to use the Common Elements by virtue of being a member of the Association.

Permitted Encumbrances. Permitted Encumbrances shall be as defined in the Option

Agreement and shall include easements, equitable servitudes, and other conditions, covenants, restrictions and rights to which the Property is subject at the time the Option Documents become effective.

Property. The Property shall be as defined in the Option Agreement and shall mean, collectively, Owner's Home and Owner's right or easement to use the Common Elements by virtue of being a member of the Association.

2. Compliance with Governing Documents. You agree to perform all of your obligations under the Governing Documents and to promptly pay, when due, all dues and assessments imposed pursuant to the Governing Documents.

3. Option Grant Closing. In addition to the items listed in the Option Agreement to be delivered as part of the Option Grant Closing, you shall deliver the following documents to escrow prior to or as part of the Option Grant Closing: Governing Documents.

4. Property Insurance. The insurance obligations that you have under the Option Agreement will be in addition to any insurance obligations or restrictions that you may have under the Governing Documents. In addition, you will have the following additional insurance obligations:

- (a) You shall take such actions as may be reasonable to insure that the Association (i) maintains a public liability insurance policy, with a generally accepted insurance carrier, in the amount, and with extent of coverage as would be common for similar planned unit developments in similar locations to your PUD, and (ii) maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Common Elements which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, as would be common for similar planned unit developments in similar locations to your PUD.
- (b) You shall give us prompt notice of any lapse in required property insurance coverage by the Association.

5. Obligation to Provide Information to Point. In addition to any other information that you are required to provide us under the Option Agreement, you shall promptly provide us (a) a copy of any notice of delinquency or similar document that you might receive from the Association to collect Association dues or assessments that you owe; (b) any notice to Owner that the Association intends to put a lien on Owner's Home for delinquent dues or assessment or other permitted reasons under the Governing Documents; (c) any amendments to or restatements of the Governing Documents; (d) notice of any vote taken by the members of the Association to terminate professional management of, and assume self-management of, the Association; or (e) notices of any legal proceedings affecting the PUD or the Association which have been delivered to you. Furthermore, you will promptly and accurately respond to requests for information received from Point during the Term, such as questionnaires regarding current Association dues.

6. Preservation Payments. The Preservation Payments payable under the Option Agreement shall include payments related to any late Association dues or assessments.

7. Agreement to Subordination. We agree to subordinate the priority of our rights under the Option Documents to any lien of the Association, provided that any requested subordination documents

contain only reasonable and customary terms common to such agreements.

8. Repair and Restoration. Section 4.4.1 (Repair and Restoration) of the Option Agreement shall be amended and restated in its entirety as set forth below:

If the Property is destroyed or damaged in any material manner, you shall restore or repair Owner's Home, and you shall take any other action to ensure that the Association restores and repairs the Common Elements, to at least the same condition and characteristics as of the time immediately preceding such destruction or damage, subject to all applicable local ordinances and the Governing Documents. Except to the extent you are required to take other action in connection with Senior Liens on the Property or pursuant to the Governing Documents, you shall apply any and all insurance proceeds (whether or not the underlying insurance was required by us and including any proceeds directed to you from the Association) to such restoration or repair. If the insurance proceeds are insufficient to complete the restoration or repair of Owner's Home, you shall be responsible for any shortfall. For the avoidance of doubt, you will not be responsible for any shortfalls resulting from the negligence, failure to act or malfeasance by the Association in applying insurance proceeds with respect to restoration or repair of the Common Elements. We shall have no responsibility or obligation to pay any amount whatsoever in connection with the restoration or repair of the Property.

9. Allocation Where Repair Not Feasible. Section 4.4.2 (Allocation Where Repair Not Feasible) of the Option Agreement shall be amended and restated in its entirety as set forth below:

If any loss occurs in connection with the Property, and restoration or repair is not economically feasible, you shall obtain an Appraisal, provided that the appraiser shall be instructed to determine the value of the Property as it existed immediately prior to the destruction or damage. Any and all insurance proceeds, whether or not the underlying insurance was required by us, will be allocated in the following order: (a) to payment (or reimbursement) of reasonable costs and expenses (including, without limitation, attorneys' fees that have been approved by us) reasonably incurred by you, the Association, a senior lender and/or Point in collecting and contesting with the insurers the payments under the relevant insurance policies; (b) to payment of all Senior Loans, provided that, if the insurance proceeds equal or exceed the amount owed under such Senior Loans, such payment shall result in the discharge of the related Senior Liens; (c) to the Association as provided in the Governing Documents; (d) to us, an amount calculated according to the Calculation of Point Proceeds set forth in Schedule 2 of the Option Agreement; and (e) to you, the balance of the proceeds.

10. Failure to Maintain Adequate Insurance. Section 4.4.3 (Failure to Maintain Adequate Insurance) of the Option Agreement shall be amended and restated in its entirety as set forth below:

If (a) you fail to maintain insurance (excluding insurance to be carried by the Association) in amounts required by Section 4.1.1 of the Option Agreement, you fail to take actions required under Section 4 of the PUD Rider with respect to insurance to be carried by the Association, or any insurance claim is denied due to your action or inaction, and (b) the insurance proceeds from any loss are not sufficient to pay to us the entire amount owed as set forth in Section 4.4.2 of the Option Agreement, then there shall be an Exercise Payment Insurance Reduction proportional to the decrease in the Property's value as compared to the Appraised Value of the Property immediately prior to the destruction or damage. In this case, we may exercise the Option (if we have not already done so) and sell the Property in its then-current state according to the procedure set forth in Section 2.3 of the Option Agreement, except that the Exercise Payment shall be reduced because of the added economic burden and risk imposed on Point by virtue of your failure. The Exercise Payment Insurance Reduction shall be taken into account in the calculation of Point Proceeds. The proceeds of any sale pursuant to Section 4.4.3 of the Option

Agreement, together with any and all available proceeds from any and all insurance policies (whether or not the underlying insurance was required by us or whether the insurance proceeds come from the insurance maintained by the Association), will be allocated as described in Section 4.4.2 of the Option Agreement.

11. Capacity; Authority. The first two sentences of Section 5.2 (Capacity; Authority) of the Option Agreement shall be amended and restated in their entirety as set forth below:

You represent and warrant that you, as the Owner(s) identified above, individually and collectively, appear on record title of the Property as holding fee simple title to 100% of Owner's Home and are a member of the Association (as defined in the PUD Rider) which gives you a right or easement to use the Common Elements of the Property. Other than as provided in the Governing Documents, your fee simple title to the Property is marketable and insurable, free of restrictions, leases, liens and other encumbrances or interests, and except as specifically identified in the Confirmation of Title delivered to Point, except with respect to Acknowledged Pre-Existing Liens and Approved Subsequent Liens.

12. Documentation and Information Supplied by Owner; Financial Condition of Owner. In addition to the documentation and information described in Section 5.6 of the Option Agreement, you are also required to supply to us any documents that you would be required to provide before a transfer of title or execution of a real property sales contract pursuant to the Governing Documents. Without limiting the foregoing, such documents and information shall include: (a) copy of the Governing Documents; (b) copy of the Association's legally-required, most recent financial statement, if applicable; (c) statement from authorized representative of the Association regarding any assessments; and (d) copy of any notices previously sent to you from the Association regarding any violation by you of the Governing Documents which remains unresolved.

13. Conflict; Enforceability. You represent and warrant that the execution and delivery of the Option Documents, the incurrence of the obligations set forth in the Option Documents, the consummation of the transactions contemplated by, or compliance with the terms of the Option Documents, will not conflict with, or result in a breach of, any of the terms, conditions or provisions of, or constitute a default under, the Governing Documents.

14. Events of Default. In addition to the Events of Default listed in Section 6.1 of the Option Agreement, each of the following shall constitute an Event of Default under the Option Documents, in Point's sole discretion: (a) failing to pay any Association due or assessment when due; (b) if the Association provides notice to you that it intends to put a lien on Owner's Home for delinquent dues or assessment of other permitted reasons under the Governing Documents; and (c) your material violation or breach of the Governing Documents.

15. No Third-Party Beneficiaries. For clarification purposes, the Association shall not be a third-party beneficiary of the Option Documents and the Association shall not have any rights or causes of action under the Option Documents.

16. Point's Prior Consent. You shall not, except after notice to us and with our prior written consent, consent to (a) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain or (b) termination of professional management and assumption of self-management of the Association.

17. PUD Rider Controls. In the event of any conflict between a provision of this PUD Rider and

the Option Documents, the terms of this PUD Rider shall control.

[Signatures on Following Pages]

IN WITNESS WHEREOF, intending to be legally bound, the parties have executed this PUD Rider as of the date first referenced above.

POINT:

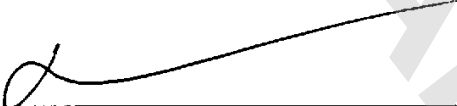
POINT DIGITAL FINANCE, INC., a Delaware corporation

By: _____
Name: _____
Title: _____
Date: _____

OWNERS:



Kevin W. Conner Date: 6.7.19




Julie M. Conner Date: 6-7-19

IN WITNESS WHEREOF, intending to be legally bound, the parties have executed this PUD Rider as of the date first referenced above.

POINT:

POINT DIGITAL FINANCE, INC., a Delaware corporation

By: 
Name: Matthew Brady
Title: Assistant Secretary
Date: 06/06/2019

OWNERS:

Kevin W. Conner Date: _____

Julie M. Conner Date: _____