



202211090017

11/09/2022 09:55 AM Pages: 1 of 4 Fees: \$206.50
Skagit County Auditor

Return Address:

Conner
1129 Cleveland Ave
Mount Vernon, WA 98273

Document Title:

Contract RE 1129 Cleveland Ave

Reference Number (if applicable): _____

Grantor(s):

additional grantor names on page ____

- 1) Kevin W. Conner
- 2) _____

Grantee(s):

additional grantor names on page ____

- 1) Michelle Ronden
- 2) _____

Abbreviated Legal Description:

full legal on page(s) ____

PTW SE 1/4 Section 19, T4N 34N, R 4 E WM

Assessor Parcel /Tax ID Number:

additional parcel numbers on page ____

P26493

CONTRACT BETWEEN LENDER AND BORROWER

RE: 2nd Mortgage attaching to property owned by Kevin W. Conner located at 1129 Cleveland Ave, Mount Vernon, WA 98273.

- 1) **Parties.** This agreement is between Private Investor, Michelle Rondeau (hereafter Lender) & attorney, Kevin W. Conner, individually and as principal for the Conner Law firm (hereafter Borrower).
- 2) **Purpose.** The purpose of this agreement is to document a private business loan between Borrower and Lender.
- 3) **Loan Amount/Funding Date.** Borrower shall receive a loan in the amount of \$100,000.00 with a funding date of November 15th, 2022.
- 4) **Interest.** Interest on the principal of the loan amount owed by Borrower to Lender shall accrue at a rate of 1.00% of the outstanding balance per month (12% annualized rate).
- 5) **Direct Loan.** The loan is a direct business loan between Lender and Borrower.
- 6) **Minimum Payment.** A minimum payment equal to the interest on the outstanding balance is required to be paid monthly by Borrower even if no additional principal is paid.
- 7) **Early Repayment.** Parties understand there is no penalty for early prepayment.
- 8) **Principal Payments.** Borrower may pay principal along with interest payments at any point with no pre-payment penalty.
- 9) **Balloon Note.** A balloon note for the total unpaid balance is due at the end of the 24th month following the funding date of this contract.
- 10) **Interest Beyond 24 Months.** Borrower understands any unpaid balance not paid in full by the end of the 24th month will incur an additional .25% per month interest rate owed to the Investor resulting in an annualized 15% interest rate.
- 11) **Late Fee Plus Additional Interest.** A late fee of \$50 owed to the Lender shall be assessed for all amounts received more than 5 calendar days beyond the due date. Any principal amounts due beyond 30 days will accumulate at an **additional** rate of .25% per month plus the late fee referenced above.
- 12) **Payment Application:** Money received by Lender (unless otherwise specified in writing by Borrower) will be applied in the following order: a) any money owed to Lender for late fees; b) interest owed to Lender; c) principal payment owed to Lender. Any amount paid in a given month beyond the minimum interest and applicable late fees shall be applied to principal.
- 13) **30 Day Months.** Interest shall be calculated on a monthly basis using twelve 30 day periods for calculation purposes.

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- 14) **Business Purposes.** Borrower confirms the borrowed funds are intended to be and will be utilized exclusively for business purposes associated with the law firm referenced in paragraph 1) above which creates an exemption to the usury laws that apply to consumer loans (see RCW 19.52.080).
- 15) **Monthly Due Date.** The first due date is December 15th, 2022 with an interest only payment of **\$1,000.00** due. Subsequent due dates will be on the 15th day of each successive month.
- 16) **1099.** Borrower will issue to Lender an IRS 1099 form each year and upon completion of the repayment of the loan.
- 17) **Enforcement.** In the event the Borrower breaches this contract and enforcement is sought through litigation, all costs of said enforcement INCLUDING ATTORNEY FEES shall be assessed against the Borrower.
- 18) **Amendments.** This agreement may be amended, modified, or added to only in writing signed by a duly authorized representative of each party.
- 19) **Counterparts.** This agreement may be executed in several counterparts, each of which, when executed, will be deemed an original, and all of which together will constitute one and the same instrument and be binding and enforceable as if both parties have executed the same copy hereof. Signatures transmitted by facsimile or email attachment will be deemed as valid as originals.
- 20) **Entire Agreement.** This agreement constitutes the entire and integrated agreement between the parties, and supersedes all prior negotiations, representations, or agreements whether written or oral.
- 21) **Choice of Law.** This note shall be governed by the laws of the State of Washington, and any dispute pertaining thereto shall be venued in Skagit County Washington.
- 22) **Divisibility.** If any provision of this note shall be deemed invalid or unenforceable, the remaining provisions shall remain in full force and effect.

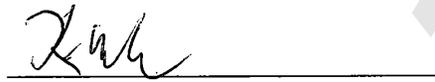
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23) **Security for Loan.** Security shall consist of both a personal guarantee from Kevin Conner individually, as well as listing Michelle Rondeau as a lien holder in second position on the duplex owned by Kevin W. Conner located at 1129 Cleveland Ave, Mount Vernon, WA 98273. Kevin Conner affirmatively states there is only the 1st party mortgage on the property at this point in an amount less than \$240,000. Kevin Conner shall file this signed contract with the Skagit County auditor's office to make the contract a public record. Kevin Conner will pay the filing fee.

Dated this 8th day of November, 2022.


Michelle Rondeau signature


Kevin W. Conner signature