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Skagit County Auditor

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Laura Minton Breckenridge
Skagit Law Group, PLLC
P.O. Box 336
Mount Vernon, WA 98273

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

2023 6632

MAY 25 2023

Amount Paid \$ 0
Skagit Co. Treasurer
By Deputy

The information contained in this boxed section is for recording purposes only pursuant to RCW 65.04, and is not to be relied upon for any other purpose, and shall not affect the intent of or any warranty contained in the document itself.

Document Title: MODIFICATION OF REAL ESTATE CONTRACT
Grantors: THOMAS J. SHEAHAN and JUDITH E. SHEAHAN, a married couple
Grantees: HECTOR R. TRUJILLO, a single person, and AIDE YUN YZAGUIRRE, a single person
Abbreviated Legal: Ptn SW NE, 10-34-3
Parcel Number: P107929; 340310-1-006-0100
Reference Number(s) of Documents Affected: 202003160177
Full Legal Description set forth in Exhibit A of Document.

MODIFICATION OF REAL ESTATE CONTRACT

THIS MODIFICATION OF REAL ESTATE CONTRACT ("Modification") is entered into May 26, 2023 by **THOMAS J. SHEAHAN and JUDITH E. SHEAHAN**, a married couple (collectively "Grantor") and **HECTOR R. TRUJILLO**, a single person ("Trujillo") and **AIDE YUN YZAGUIRRE**, a single person ("Yzaguirre") (collectively "Grantee"), and modifies the Real Estate Contract dated and recorded March 16, 2020 under Skagit County Auditor's File No. 202003160177 ("Real Estate Contract"). The terms Seller and Grantor, meaning Thomas J. Sheahan and Judith E. Sheahan, a married couple, are used interchangeably with one another in the Real Estate Contract and in this Modification. Similarly, the terms Purchaser and Grantee, meaning Hector R. Trujillo, a single person, and Aide Yun Yzaguirre, a single person, are used interchangeably with one another in the Real Estate Contract and in this Modification. Grantor and Grantee are singularly referred to herein as "Party" and collectively as "Parties."

RECITALS

A. The Parties are entering into this Modification to confirm the amounts outstanding under the Real Estate Contract as of the date of this Modification and to amend and restate certain terms of the Real Estate Contract, including but not limited to include Aide Yun Yzaguirre as Grantee under the Real Estate Contract, as modified.

B. Grantee is in default of the terms and conditions of the Real Estate Contract. The Parties are entering into this Modification in consideration of the covenants set forth herein.

C. Excise tax on the recording of the Real Estate Contract was paid March 16, 2020, evidenced by Receipt No. 2020-951.

D. Pursuant to the terms of this Modification, the Parties agree Yzaguirre shall be included as an additional Grantee and all Grantee rights and obligations provided for herein shall apply to both Trujillo and Yzaguirre, on a joint and several basis. As provided for below, Grantee shall prepare and deliver to the Skagit County Treasurer for processing in connection with the recording of this Modification a Real Estate Excise Tax Affidavit signed by Trujillo and Yzaguirre, together with any additional information or narrative required by the Skagit County Assessor or the Department of Revenue, together with the processing fee and excise tax due.

AGREEMENT

1. Parties and Date. Section 1 of the Real Estate Contract shall be amended and replaced with the following:

1. Parties and Date. This Real Estate Contract is entered into on March 16, 2020 and is modified by this Modification. Trujillo and Yzaguirre, together the Grantee, shall be jointly and severally liable for all obligations of the Grantee as provided for under the Real Estate Contract as modified by this Modification.

2. Purchase and Sale of Property. As provided for in Section 2 of the Real Estate Contract, Grantor has agreed to sell, and Grantee has agreed to purchase, upon the terms and conditions specified in the Real Estate Contract, as modified by this Modification, the real property described in **Exhibit A**, attached hereto and by this reference incorporated herein, located in Skagit County, Washington, together with improvements, commonly known as Skagit County Parcel No. P107929 ("Property"). All provisions of the Real Estate Contract not modified by this Modification shall remain in full force and effect and shall be binding on Grantor and Grantee.

3. Price and Real Estate Contract Payments. Section 4 of the Real Estate Contract shall be amended and replaced with the following:

4. Purchase Price and Real Estate Contract Payments.

a. The purchase price of the Property, the sum of Two Hundred Thirty-Five Thousand and No/100 Dollars (\$235,000.00), shall be paid as follows:

Cash Payment Due at Closing:	\$30,000.00
Balance of Purchase Price Financed by Grantor:	\$205,000.00

Cash Payment Due Upon Execution of this Modification:	<p>Principal and Interest Payment: \$29,893.50 (\$20,794.89 to be applied to principal and \$9,098.61 to be applied to accrued interest from 8/16/22 through 5/26/2023).</p> <p>Reserve Payment: \$200.00</p> <p>Late Charges: \$300.00</p> <p>Evergreen Fees: \$95.00</p> <p>Recording Costs: \$221.50</p> <p>Total cash payment due upon execution of this Modification in the form of a cashier's check payable to Evergreen Note Servicing: \$30,710.00 ("Cash Payment"). In addition, Grantee shall deliver by separate check payable to the Skagit County Treasurer, the \$10.00 Real Estate Excise Tax Affidavit processing fee, together with the excise tax due triggered by the recording of this Modification.</p>
Interest Rate:	As of the date of the Real Estate Contract, as modified by this Modification, all sums owing shall bear interest at the rate of six percent (6%) per annum. Should, however, the Grantee default on any of their obligations under this Real Estate Contract, as modified by this Modification, all sums owing shall bear interest at the default rate set forth below.
Interest Beginning Date:	March 16, 2020

Monthly Payments:	Minimum equal monthly installment payments of at least \$1,500.00 each to Grantor commencing on March 16, 2020 and on or before the 16 th of each month thereafter during the term of the loan ("Monthly Payments"). Any Monthly Payments not received by the 16 th of the month shall be late. Grantee, by entering into this Modification, acknowledges and agrees it has not made any Monthly Payments since August 15, 2022. The Parties agree that in lieu of these eight (8) \$1,500 Monthly Payments, Grantee shall make the Cash Payment due upon execution of this Modification, together with the Periodic Payments set forth below, and further agree that Grantee shall pay all Monthly Payments, of at least \$1,500.00 each, to Grantor commencing June 15, 2023 and each month thereafter during the term of this Real Estate Contract. In addition to these Monthly Payments, Grantee shall also be obligated to making the Periodic Payments provided for below, together with all outstanding sums due and owing as of the April 30, 2025 Maturity Date, as also provided for below. A balloon payment of all outstanding principal, interest, and all other outstanding charges and sums under this Real Estate Contract, as modified by this Modification, shall be due and payable on the April 30, 2025 Maturity Date.										
Periodic Payments:	<table> <tr> <td><u>Date Due:</u></td><td><u>Payment Sum:</u></td></tr> <tr> <td>On or before June 15, 2023</td><td>\$5,000.00</td></tr> <tr> <td>On or before August 15, 2023</td><td>\$9,000.00</td></tr> <tr> <td>On or before October 15, 2023</td><td>\$9,000.00</td></tr> <tr> <td>On or before January 15, 2024</td><td>\$9,000.00</td></tr> </table> <p>The Periodic Payments shall be made on or before the dates specified above in addition to the Monthly Payments.</p>	<u>Date Due:</u>	<u>Payment Sum:</u>	On or before June 15, 2023	\$5,000.00	On or before August 15, 2023	\$9,000.00	On or before October 15, 2023	\$9,000.00	On or before January 15, 2024	\$9,000.00
<u>Date Due:</u>	<u>Payment Sum:</u>										
On or before June 15, 2023	\$5,000.00										
On or before August 15, 2023	\$9,000.00										
On or before October 15, 2023	\$9,000.00										
On or before January 15, 2024	\$9,000.00										
Application of Payments:	All payments shall be applied first to costs, expenses, and other charges provided for in this Real Estate Contract, as modified by this Modification, or incurred by the Grantor in realizing on this Real Estate Contract, second to interest, and then to principal. All payments shall be made in United States dollars.										
Prepayment:	Grantee may prepay, without penalty, all or any portion of the unpaid principal balance owed under this Real Estate Contract.										
Maturity Date:	NOTWITHSTANDING THE ABOVE, ALL OUTSTANDING PRINCIPAL, INTEREST, AND ALL OTHER AMOUNTS DUE AND OWING UNDER THIS REAL ESTATE CONTRACT SHALL BE DUE AND PAYABLE IN FULL ON MONDAY, APRIL 30, 2025.										

Default Rate:	In the event Grantee defaults under any of the terms of the Real Estate Contract, as modified by this Modification, the interest rate on all unpaid amounts shall adjust to the rate of ten percent (10%) as provided for in Section 20(d) of the Real Estate Contract.
Late Charges:	As provided for in Section 5 of the Real Estate Contract, if any payment under the Real Estate Contract is not paid on or before the date it becomes due, the Grantee shall pay a late charge equal to five percent (5%) of the delinquent payment. The late charge shall be in addition to and not in lieu of any other rights or remedies the Grantors may have by virtue of any breach or default. Should Grantees at any time tender a check to Grantors that is dishonored by reason of insufficient funds, the Grantors shall be entitled to a charge against Grantees in the amount of \$50, which represents Grantors' reasonable costs for handling Grantee's dishonored check. This provision shall amend and replace in its entirety Section 9 of the Real Estate Contract.
Real Estate Contract Collection with Evergreen Note Servicing:	The Parties agree to establish and maintain a contract collection account with Evergreen Note Servicing, located at 615 E. Pioneer, #111, Puyallup, WA 98372, P.O. Box 280, Sumner, WA 98390, Account No. 13110100027808 ("Evergreen"), under which Evergreen shall collect the contracted-for amounts due under the Real Estate Contract, as modified by this Modification, and credit and pay the payments to Grantor. The Parties agree that in addition to the principal, interest, late charges, and other payments due under the Real Estate Contract and this Modification, Evergreen shall collect, and Grantee shall pay, such reserve amounts as determined by Evergreen to pay other amounts due under the Real Estate Contract, as modified by this Modification. The Parties agree that as provided for in Section 12 of this Real Estate Contract, as Modified by this Modification, Grantee shall pay the cost of establishing the account with Evergreen and shall also pay the monthly cost of such account and all other charges and costs associated with the account. Upon providing written notice to Grantee, Grantor, at their option, may opt to change, or stop, the contract collection.

b. The Parties agree that as of the date of May 26, 2023, the following sums are due and owing under the Real Estate Contract:

Principal owing:	\$192,921.95
Interest owing:	\$9,098.61
Late Charges:	\$300.00

Evergreen Fees:	\$95.00
TOTAL OWED:	\$202,415.56

4. Retention of Title and Security and Fulfillment Deed. Section 8 of the Real Estate Contract shall be amended and replaced with the following:

8. Retention of Title and Security and Fulfillment Deed. Except as otherwise expressly provided in the Real Estate Contract, as modified by this Modification, Grantor's title to the Property shall remain in the name of the Grantor until Grantee receives delivery of Grantor's fulfillment deed. Grantee hereby assigns to Grantor a security interest in all rents and security deposits derived from, or relating to, the Property. In addition, Grantee hereby grants to the Grantor a security interest in all condemnation awards and insurance proceeds relating to the Property and Grantor all of its rights, titles, and interests in any personal property now, or subsequently situated on the Property as security for the performance of the Grantee's obligations herein. After Grantee has paid to Grantor all sums due under the Real Estate Contract, as modified by this Modification, Grantor shall deliver their fulfillment deed to Grantee, conveying fee simple title to Trujillo and Yzaguirre as tenants in common, each with an undivided fifty percent (50%) interest in the Property, subject to the conditions, reservations, easements, and exceptions to title that now exist and those that may attach after recording.

5. Use. Section 11 of the Real Estate Contract shall be modified and replaced with the following:

11. Use. Grantee is entitled to use of the Property from and after the date of the Real Estate Contract as modified by this Modification, subject to the terms and conditions set forth therein, including but not limited to the following:

- a) Grantee shall not apply for, submit, advance, or file any documents or applications relating to the Property with any governmental authority;
- b) Grantee shall not develop, permit, improve, or construct any improvements, infrastructure, buildings, residences, garages, or outbuildings on the Property;
- c) Grantee shall not move, or allow on the Property, any materials, supplies, vehicles, equipment, or personal property of any kind including, but not limited to trailers, recreational vehicles, or modular or manufactured homes; and
- d) Grantee shall not occupy or reside at the Property, or allow any third party to lease, occupy, or reside at the Property during the term of this Real Estate Contract, as modified by this Modification.

Notwithstanding the foregoing, Grantee may, upon providing at least thirty (30) days

written notice, request Grantor to consent to one or more of the actions set forth in subsections a – d above. Grantor may condition, or deny Grantee's request. In the event such consent is granted, conditions of granting consent shall include at least the following: a) all such improvements shall be permitted and approved by the applicable governmental authorities; b) all such improvements shall be in good condition and free of defects; c) all work and improvements shall be undertaken lien free; and d) Grantor may, at Grantor's election, take possession of some or all of Grantee's improvements, including but not limited to any mobile or manufactured home on the Property, and/or any buildings, which at Grantor's option shall immediately be and become the property of the Grantor and subject to all of the terms, covenants, and conditions of this Modification. As additional security for this Modification, Grantee shall deliver to Grantor title to all such improvements, including but not limited to that of any mobile or manufactured home.

6. Maintenance, Assessments, Tax Obligations, and Utilities. Section 12 of the Real Estate Contract shall be modified and replaced with the following:

12. Maintenance, Assessments, Tax Obligations, and Utilities. At all times during the term of this Real Estate Contract, as modified by this Modification, Grantee shall keep the Property in good repair and condition, commit no waste, and pay directly to all applicable taxing authorities all taxes, assessments, and utility charges on or before they become due, and shall provide confirmation of payment to Grantor. Grantee shall observe and comply with all laws, ordinances, rules, and regulations affecting the Property and its use. Grantee shall also comply with all easements, reservations, restrictions, and covenants affecting or pertaining to the Property. Breach of this provision shall entitle Grantor to perform such services and acts necessary to comply with this provision. Grantor shall have the right to immediately collect such costs and expenses from Grantee or, at Grantor's option, these costs and expenses will be added to the balance owing under the Real Estate Contract, and shall bear interest at the Real Estate Contract default rate from the date the indebtedness was incurred. In the event the "Farm and Agricultural" Use Classification affecting the Property for real property tax purposes is lost, or diminished in any way, and reassessment occurs, the compensating taxes, plus any interest and penalties accruing and imposed, shall be the sole responsibility of Grantee, even though the assessment period may predate this Real Estate Contract, as modified by this Modification.

7. Indemnification, Insurance, and Liens. Section 13 of the Real Estate Contract shall be modified and replaced with the following:

13. Indemnification, Insurance, and Liens. Grantee shall jointly and severally indemnify, defend, protect, and hold Grantor and Grantor's successors, assigns, heirs, and personal representatives harmless from any losses, damages, costs, claims, and liabilities, including attorneys' fees and costs, caused by the acts or omissions of their agents, employees, independent contractors, invitees, or licensees on, about, or with respect to the Property, and for any breach of this Real Estate Contract, modified by this Modification by the Grantee or any of such persons. Such indemnification rights and obligations shall include all costs and

fees, including but not limited to attorneys' fees and costs. These indemnification rights, and obligations shall survive the delivery of the Grantor's deed to the Grantee. Grantee shall defend Grantor at Grantee's expense, through legal counsel satisfactory to Grantor. Grantee shall keep any buildings and improvements on the Property continuously insured, at full replacement value, and lien free. The placing of any lien or encumbrance upon the Property shall constitute a default under this Real Estate Contract, as modified by this Modification. Such insurance shall expressly name Grantor as a named insured and as loan payee. Grantee shall pay the premiums for such insurance on or before the date they are due, and upon execution of this Modification Grantee shall provide Grantor with an insurance certificate, evidencing such insurance is in place and shall, throughout, the term of this Real Estate Contract, as modified by this Modification, deliver updated insurance certificates to Grantor. In the event of loss or damage to the Property, the insurance proceeds shall, at the option of Grantor, be used to either pay all remaining amounts owed on this Real Estate Contract, as modified by this Modification, or repair, rebuild, or replace all improvements that may have been destroyed or damaged, subject to such modifications as may then be required by law or to which Grantor agrees in writing. Any insurance proceeds that are not used to pay for repairs or replacements permitted by the terms of this Section shall be paid to Grantor and applied against the principal balance owed under the Real Estate Contract, as modified by this Modification.

8. Condition of Property. Section 15 of the Real Estate Contract shall be modified and replaced with the following:

15. Condition of Property. Grantee acknowledges they have been solely responsible for their own due diligence review and investigation of the Property. Grantee represents and warrants they have reviewed the merits and risks of the acquisition of the Property and the terms of this transaction, including, but not limited to, title. Grantee further acknowledges their due diligence review and investigation was concluded prior to execution of this Real Estate Contract, as modified by this Modification. Grantee assumes all risks relevant to this transaction and their investigation of the Property, or lack thereof, and accepts the Property on an "As-Is, Where-Is, With All Faults" basis. Grantor disclaims any and all warranties, whether express or implied, including, but not limited to, warranties of merchantability, fitness for a particular purpose, and warranties of habitability.

Grantee assumes any and all risks with respect to the Property, including, but not limited to, ingress, egress, utilities, and other services to the Property, including but not limited to sewer, septic, water, and power, and the existence of easements, encroachments, unrecorded documents, and agreements, soil and slope instability, the inability to develop the Property, and the presence of any hazardous substances or hazardous conditions. Grantee has examined, to Grantee's satisfaction, the Property and is not relying upon any statements or representations, other than those expressly set forth in this Real Estate Contract, as modified by this Modification, made by Grantor, with respect to the Property. Grantee hereby

waives any and all rights to rescind this Real Estate Contract, as modified by this Modification. Grantee and Grantor acknowledge Grantee's assumption of all risks related to the condition of the Property is in consideration of the fair market value of the Property, which is less than it would have been if Grantor was responsible for any express or implied warranties.

9. Risk of Loss, Damages, and Condemnation. Sections 16 and 19 of the Real Estate Contract shall be modified and replaced with the following:

16. Risk of Loss, Damages, and Condemnation. Grantee assumes the risk of loss and damage to the Property, in whole or in part, from any and all causes. Such loss or damage shall not affect any of the obligations of Grantee under this Real Estate Contract, as modified by this Modification. Grantor and Grantee may each appear as owners of an interest in the Property in any action, and fully participate in any discussions, regarding condemnation of all, or any part of, the Property. If any portion of the Property is taken for public use, the condemnation award shall be paid to Grantor as a payment under this Real Estate Contract, as modified by this Modification. Any remaining balance following full satisfaction of the amounts due Grantor, if any, will be paid to Grantee as Grantor may direct.

10. Compliance with Laws and Restrictions. Section 17 of the Real Estate Contract shall be modified and replaced with the following:

17. Compliance with Laws and Restrictions. Grantee shall faithfully observe, perform, and comply with all laws, ordinances, rules, and regulations of every governmental authority affecting the Property and the use thereof and activities thereon; all easements, reservations, restrictions, covenants, and conditions of record affecting or pertaining to the Property and the use thereof and activities thereon; and any declarations, rules, regulations, and other documents that have been or are hereafter adopted with respect to the Property. Grantee shall not use or permit any person to use the Property for or in connection with any unlawful purpose or in any manner that causes or creates waste, a nuisance, or in violation of any federal, state, or local statute or ordinance governing the use or improvement of the Property or any hazardous or toxic materials, products, or wastes, nor allow any materials, supplies, or waste of any kind to be dumped, stored, or kept at the Property.

11. Default. Sections 5, 20, 21, and 30 of the Real Estate Contract shall be amended and replaced with the following:

5. Default.

a. Grantee's Default. Grantee shall be in default under this Real Estate Contract, as modified by this Modification, if Grantee: (a) fails to observe or perform any term, covenant, or condition of this Modification; (b) fails to pay any amount due on or before the due date; (c) becomes, or is declared, insolvent, makes

an assignment for the benefit of creditors, or files any petition, or a petition is filed against Grantee, under any bankruptcy, receivership, or reorganization; (d) permits the Property to be encumbered, pledged, or mortgaged, or allows, or permits, a lien to attach to the Property; € abandons or vacates the Property; or (f) conveys, encumbers, or pledges the Property, or any part of it, or assigns this Real Estate Contract, as modified by this Modification, without the prior written consent required of Grantor which such consent may be denied, or conditioned, in Grantor's sole discretion.

b. Grantor's Remedies. In the event Grantee is in default under this Real Estate Contract, as modified by this Modification, Grantor may, at Grantor's election, take any of the following courses of action against either, or both, Grantee, Trujillo or Yzaguirre:

i. Claim for Delinquencies. Grantor may institute suit for any installment amounts or other sums due and payable under this Real Estate Contract, as modified by this Modification, as of the date of the default and for any sums that have been advanced by Grantor pursuant to the provisions of this Real Estate Contract, as modified by this Modification, together with interest on all outstanding sums 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;

ii. Acceleration. Upon giving the Grantee not less than fifteen (15) days written notice of their 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 failure to timely pay any principal, interest, insurance premium, tax, or other sum of money required to be paid herein, or any failure to obtain any consent of Grantor herein required to be paid herein, or any failure to obtain any consent of Grantor herein required for a conveyance of Grantee's title to the Property, or if Grantee commits waste on the Property, Grantor may, at their option, declare the entire unpaid balance of the purchase price, together with accrued interest, immediately due and payable and institute suit to collect such amounts, together with any sums advanced by the Grantor pursuant to the provisions of this Real Estate Contract, as modified by this Modification, together with interest on all of said sums at the default rate from the due date or date of each such advance up to and including the date of collection;

iii. Forfeiture and Repossession. Grantor may cancel and render void all rights, title, and interest of Grantee, and Grantee's successors in this Real Estate Contract, as modified by this Modification, and in the Property, (including all of Grantee's then existing rights, interests, and estate therein, and any crops, timber, and improvements of any kind thereon), as a result of a breach of the Real Estate Contract, as modified by this Modification, by giving Grantee a "Notice of Intent to Forfeit" pursuant to RCW

61.30.040-070. The cancellation and forfeiture shall become effective if the default has not been fully cured within ninety (90) days thereafter and the Grantor records a "Declaration of Forfeiture" pursuant to RCW 61.30.040-070. Upon the forfeiture of this Real Estate Contract, as modified by this Modification, Grantor may retain all payments made by Grantee and may take possession of the Property ten (10) days following the date of forfeiture and summarily eject Grantee, together with any person or persons having possession of the Property through or under Grantee who were provided the "Notice of Intent to Forfeit" and the "Declaration of Forfeiture." In the event Grantee, or any person claiming through Grantee that were properly provided 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, Grantee and such persons, shall be deemed tenants at will of Grantor, and Grantor shall be entitled to institute an action for summary possession of the Property and may recover from Grantee, and/or such person, the fair rental value of the Property and after the date of forfeiture, together with fees and costs, including Grantor's reasonable attorneys' fees and costs;

iv. Judicial Foreclosure. To the extent permitted by any applicable statute, the Grantor may judicially foreclose this Real Estate Contract, as modified by this Modification, as a mortgage, and in connection therewith, may accelerate all of the debt due under this Real Estate Contract, as modified by this Modification, if the defaults upon which such action is based are not cured within fifteen (15) days following the Grantor's written notice to the Grantee specifying such defaults and the acts required to cure the same (within which time any monetary default may be cured without regard to the acceleration); provided, however, such cure period shall be extended for up to thirty (30) additional days to the extent reasonably necessary to complete the cure of a non-monetary default if the Grantee commences such cure within fifteen (15) days following Grantor's notice and pursues the cure with due diligence. The Grantor may, but shall not be required to, waive any right to a deficiency judgment in its foreclosure complaint. The Grantee at any foreclosure sale may (but shall not be obligated to), during any redemption period, make such repairs and alterations to the Property as may be reasonably necessary for the proper operation, use, preservation, and protection thereof; pay any taxes and assessments due during such period; insure the Property against loss by casualty; and pay utility bills, liens not extinguished by the foreclosure, and other amounts relating to the Property to the extent due during such redemption period, and all of such expenses and payments, together with interest thereon from the date paid to reimbursement at the rate provided by statute for any other redemption amounts, shall be included in the amount required to be paid by any person to redeem the Property.

v. Specific Performance. Grantor may bring suit to specifically

enforce any of Grantee's covenants under this Real Estate Contract, as modified by this Modification, which may include mandatory or prohibitive injunctive relief;

vi. No Right to Offset or Credit. Grantee hereby waives any right to offset, credit, or any other form of payment or reimbursement for any improvements made to the Property;

vii. Appointment of Receiver. Grantor shall be entitled to the appointment of a receiver as a matter of right, whether or not the apparent value of said Property exceeds the amount of the balance due under this Real Estate Contract, as modified by this Modification, and any receiver appointed may serve without bond. Upon taking possession of all or any part of said Property, the receiver may:

(1) Use, operate, manage, control, and conduct business on the Property and make necessary expenditures for all maintenance and improvements as, in receiver's judgment, are proper;

(2) Collect all rents, revenues, income, issues and profits from the Property and apply such sums to the necessary expenses of use, operation, and management;

(3) At Grantor's option, complete any construction in progress on the Property, or demolish any improvements, and in that connection, pay all bills, borrow funds, employ contractors and make any changes in plans and specifications as Grantor deems appropriate. If the revenues produced by the Property are insufficient to pay expenses, the receiver may borrow from Grantor or otherwise the amounts required for the purposes stated in this paragraph, and repayment of such sums shall be secured by this Real Estate Contract, as modified by this Modification. Amounts borrowed from or advanced by Grantor shall be paid by Grantee on demand and shall bear interest at the same rate as the balance of the purchase price under this Real Estate Contract, as modified by this Modification, from the date of expenditure until repaid.

viii. Marshalling. Grantee expressly waives any legal or equitable rights that Grantee may have with respect to marshalling of assets and this waiver shall be binding upon all parties claiming by or through Grantee and all other parties claiming any interest in said Property. Grantor may resort for payment to any other security held by Grantee in such order and manner as Grantor may elect; and

ix. Cumulative Remedies. Grantor's remedies set forth in this Real Estate Contract, as modified by this Modification, are cumulative and

the non-exclusive election of one remedy, or more, shall not bar any other remedy Grantor may have in addition to any other remedies provided by law or equity.

12. Costs and Attorneys' Fees. Section 24 of the Real Estate Contract shall be modified and replaced with the following:

24. Costs and Attorneys' Fees. If either Party should be in default under this Real Estate Contract, as modified by this Modification, or in the event of any dispute between the Parties, the prevailing Party shall have the right, at the non-prevailing Party's expense, to retain an attorney to make any demand, enforce any remedy, initiate a lawsuit, initiate a forfeiture proceeding, or otherwise protect or enforce its rights under this Real Estate Contract, as modified by this Modification. The non-prevailing Party shall pay all costs and expenses incurred by the prevailing Party, including, without limitation, court costs, collection agency, or other collection costs, loan servicing fees and costs, charges, notice expenses, title search expenses, and attorneys' fees and costs. If Grantor brings forfeiture proceedings, Grantor shall be entitled to recover all costs and fees incurred in the proceedings and Grantor shall be entitled to include all such fees and costs in any Notice of Intent to Forfeit and demand payment of these fees and costs to cure any defaults. Grantor shall be entitled to recoup all of its expenses and costs incurred in collecting the amounts due under this Real Estate Contract, as modified by this Modification.

13. Notices. Section 25 of the Real Estate Contract shall be modified and replaced with the following:

25. Notices. Any notice, consent, or approval required or permitted to be given under this Real Estate Contract, as modified by this Modification, must be in writing and shall be deemed to have been given upon: (i) personal delivery; (ii) one business day after the notice is delivered to Federal Express for overnight delivery to the recipient; or (iii) four business days after being deposited in the United States mail, postage prepaid, certified mail, return receipt required and addressed as noted below.

In the event notice of default of any nature is sent by Grantor after such default has existed for fifteen (15) days or more, Grantee shall pay Grantor the sum of One Thousand Dollars (\$1,000.00) in addition to all other demands set forth in the notice, before the forfeiture is released, such amount being a reasonable estimate of attorneys' fees and costs incurred by Grantor in preparing the notice. Any payments coming due during the time that a "Notice of Intent to Forfeit" and the Grantee shall pay such payment or payments in addition to the sum called for in the notice. The notice may also be personally served in the form prescribed by law for the service of a summons.

If to Grantor:

Thomas J. Sheahan and Judith E. Sheahan
Mailing Address:

P.O. Box 174
Bow, WA 98232

Physical Address:
12995 Bent Needle Lane
Bow, WA 98232

If to Grantee:

Hector J. Trujillo
1425 North LaVenture Road
Mount Vernon, WA 98273

and to

Aide Yun Yzaguirre
5246 Chuckanut Drive
Bow, WA 98232

14. Entire Agreement. Section 34 of the Real Estate Contract shall be amended and replaced in its entirety with the following:

34. Entire Agreement. This Real Estate Contract, as modified by this Modification, including its exhibits, constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings between the Parties relating to its subject matter. This Real Estate Contract, as modified by this Modification, may be amended only by written agreement executed by both Grantor and Grantee and recorded in the records of the Skagit County Auditor.

15. Liens, Charges, Encumbrances, and Indemnification. A new section, Section 35, shall be incorporated in the Real Estate Contract:

35. Liens, Charges, Encumbrances, Defense, and Indemnification. Grantee shall not allow the Property to become subject to liens, charges, or encumbrances without Grantor's prior written consent and, in any event, such liens, charges, and encumbrances shall not have priority over Grantor's rights in the Property. Grantee shall protect, release, indemnify, defend, and hold Grantor, their successors, assigns, agents, heirs, and personal representatives harmless from any and all losses, damages, costs, claims, and liabilities, including attorneys' fees and costs, caused by the acts or omissions of Grantee and of their agents, employees, contractors, tenants, invitees, guests, family, or licensees on, about, or with respect to the Property, and for any breach of this Real Estate Contract, as modified by this Modification, by Grantee or any other such person or entity. These indemnification, defense obligations, rights, and obligations shall survive the delivery of Grantor's fulfillment deed to Grantee. Grantee shall defend Grantor at Grantee's expense, through legal counsel satisfactory to Grantor.

16. Assignability. A new section, Section 36, shall be incorporated in the Real Estate Contract:

36. Assignability. This Real Estate Contract, as modified by this Modification, shall not be assignable or assumable without the prior written consent of Grantor. In the event the Property, or any interest in it, is conveyed without the prior written consent of Grantor, which such consent may be denied, or conditioned, in Grantor's sole discretion, all obligations secured by the Real Estate Contract, as modified by this Modification, shall become immediately due and payable as provided for in Section 30.

17. Conditions of Modification. A new Section, Section 37, shall be added to the Real Estate Contract:

37. Conditions of Modification. The Parties agree that in addition to the Cash Payment due upon execution of this Modification, the following are additional conditions of this Modification:

a. Grantee's delivery to Grantor of satisfactory proof that the Property's property taxes and assessments have been paid, including but not limited to first half 2023; and

b. Grantee shall pay the real estate excise tax due triggered by the recording of this Modification. Grantee shall be responsible for such excise tax and shall jointly and severally protect, indemnify, and defend Grantor from all excise tax obligations and penalties and interest thereon. Grantee shall deliver to Grantor timely confirmation of payment of taxes and assessments.

18. Miscellaneous. A new section, Section 38 shall be added to the Real Estate Contract:

38. Miscellaneous.

a. Defense of Security. Grantor may appear in, or defend, any action or proceeding at law, in equity, or in bankruptcy affecting, in any way, Grantor's interests under this Real Estate Contract, as modified by this Modification. Grantee agrees to pay within ten (10) days of demand all costs, charges, and expenses incurred in such defense, including costs of evidence of title or validity and priority of the security, and attorneys' fees and costs, including attorneys' fees and costs on trial, appeal, and/or in bankruptcy. Such amounts shall bear interest at the default rate from the date demand is made. Failure of Grantee to pay such amounts within ten (10) days from the date of demand shall constitute an event of default under this Real Estate Contract, as modified by this Modification.

b. Applicable Law and Venue. This Real Estate Contract, as modified by this Modification, shall be governed by, and interpreted in accordance with, the laws of the State of Washington. The venue of any action brought to

interpret or enforce any provisions of this Real Estate Contract, as modified by this Modification, shall be in Skagit County.

c. Severability. In the event any portion of this Real Estate Contract, as modified by this Modification, should be held to be invalid by any court of competent jurisdiction, such holding shall not affect the remaining provisions of this Real Estate Contract, as modified by this Modification.


d. Legal Relationships. No partnership, joint venture, or joint undertaking shall be construed from this Real Estate Contract, as modified by this Modification, and, except as may be specifically provided for in this Real Estate Contract, as modified by this Modification, neither Party shall have the right to make any representation for, act on behalf of, or be liable for the debts, or obligations, of the other.

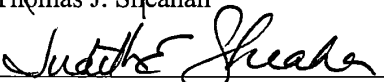
e. Legal Counsel. The Parties acknowledge that Skagit Law Group, PLLC, legal counsel for the Grantor, does not represent Grantee with respect to the Real Estate Contract, as modified by this Modification, and that such counsel shall owe no duty directly to Grantee. Grantee is encouraged, prior to purchasing the Property and prior to entering into this Real Estate Contract, as modified by this Modification, to consult separate legal counsel with respect to their rights and obligations under this Real Estate Contract, as modified by this Modification.

f. Counterparts. This Real Estate Contract, as modified by this Modification, may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

GRANTOR:

THOMAS J. SHEAHAN and JUDITH E.
SHEAHAN, a married couple


Thomas J. Sheahan


Judith E. Sheahan

GRANTEE:

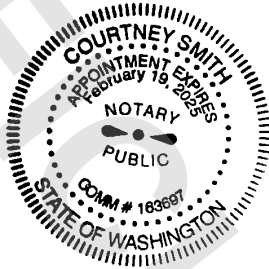

HECTOR R. TRUJILLO, a single person


AIDE YUN YZAGUIRRE, a single person

STATE OF WASHINGTON)
) ss.
 COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that **THOMAS J. SHEAHAN** 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.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 25TH day of May, 2023.

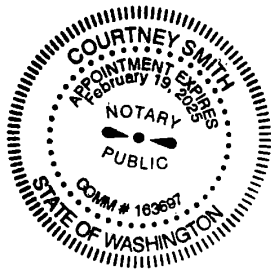


[Signature]
 Printed Name: Courtney Smith
 NOTARY PUBLIC in and for the State of
 Washington
 Residing at: Burlington, WA
 My commission expires: 2-19-2025

STATE OF WASHINGTON)
) ss.
 COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that **JUDITH E. SHEAHAN** 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.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 25TH day of May, 2023.

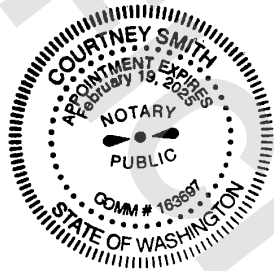


[Signature]
 Printed Name: Courtney Smith
 NOTARY PUBLIC in and for the State of
 Washington
 Residing at: Burlington, WA
 My commission expires: 2-19-2025

STATE OF WASHINGTON)
) ss.
 COUNTY OF SKAGIT)

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

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 24TH day of May, 2023.

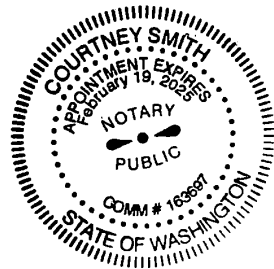


[Signature]
 Printed Name: Courtney Smith
 NOTARY PUBLIC in and for the State of
 Washington
 Residing at: Burlington, WA
 My commission expires: 2-19-2025

STATE OF WASHINGTON)
) ss.
 COUNTY OF SKAGIT)

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

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 24TH day of May, 2023.



[Signature]
 Printed Name: Courtney Smith
 NOTARY PUBLIC in and for the State of
 Washington
 Residing at: Burlington, WA
 My commission expires: 2-19-2025

**EXHIBIT A
LEGAL DESCRIPTION**

That part of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 10, Township 34 North, Range 3 East, W.M., lying South of County Road right-of-way adjoining the Great Northern Railway, and more particularly described as follows:

Beginning at a 2-inch iron pipe marking the center of Section 10;
Thence North $89^{\circ}47'30''$ East 1304.7 feet along the line through the center of Section 10, to the East one-sixteenth corner on the line through the center of Section 10;
thence North $00^{\circ}32'00''$ East for a distance of 576.82 feet to a point on the Southerly right-of-way line of a County Road;
thence South $73^{\circ}29'30''$ West for a distance of 13.65.4 feet along said Southerly right-of-way line to a point on the line through the center of Section 10;
thence South $00^{\circ}21'30''$ West for a distance of 193.68 feet along the line through the center of said Section 10 to the point of beginning.

EXCEPT from the above described lands, those portions taken by Drainage District No. 19 under decree entered December 5, 1922 in Cause No. 8889, records in the Clerk's office for Skagit County, Washington, described as follows:

A tract of land 70 feet wide, the center line of said tract beginning at the Southeast corner of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 10, Township 34 North, Range 3 East, W.M.;
thence following Higgins Slough in a general direction North $48^{\circ}45'$ West 440 feet;
thence North $56^{\circ}15'$ West 365 feet;
thence North $44^{\circ}15'$ West 410 feet;
thence North $60^{\circ}30'$ West 315 feet;
thence South $88^{\circ}25'$ West 485 feet;
thence South $64^{\circ}45'$ West 280 feet, more or less, to a point in said slough 687.8 feet East of the West line of the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said Section 10.

ALSO EXCEPT that portion of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 10, Township 34 North, Range 3 East, W.M., described as follows:

Beginning at a point on the South line of said subdivision, 12 feet West of the Southeast corner thereof, said point being in the center of a drainage ditch;
Thence North $89^{\circ}49'$ East 12 feet to the Southeast corner of said subdivision;
Thence North $0^{\circ}35'$ East along the East line of said subdivision, 566.44 feet to the Southerly right-of-way line of the State Highway through said subdivision;
Thence South $73^{\circ}30'$ West along said State Highway right-of-way line, 547.7 feet to the center of aforesaid drainage ditch;
Thence following the center of said drainage ditch South $55^{\circ}50'$ East 300 feet, South $44^{\circ}58'$ East 282.7 feet, South $51^{\circ}43'$ East 75.7 feet to the point of beginning;

ALSO EXCEPT that portion conveyed to the State of Washington for highway purposes as described in Warranty Deed recorded under Auditor's File No. 200605260207, records of Skagit County, Washington.

Situate in Skagit County, Washington.