

POOR ORIGINAL

When recorded return to:

Faber Fairchild McCurdy LLP  
2115 Barkley Blvd., Ste. 101  
Bellingham, WA 98226

SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX  
Affidavit No. 20252223  
Jul 16 2025  
Amount Paid \$5909.00  
Skagit County Treasurer  
By Lena Thompson Deputy

**Document Title:** Real Estate Contract  
**Grantors:** Jan-R Corporation, a Washington corporation  
**Grantee:** Aaron Ostrom, an unmarried person  
**Abbrv. Legal Description:** TAX 1A BAT W LI OF E1/2 NE1/4 NE1/4, SECTION 26, TOWNSHIP 35 NORTH, RANGE 4 EAST, W.M., SD PT HAV VAR OF 22 1/2 DEG E 688.6FT S 658FT W OF NE C SD SEC TH N ALG W LI SD E1/2 673FT TH E 225FT TH S TO N LI OF CO RD TH S 75-45 W 232.2FT ALG N LI SD RD TPB LESS TAX 1B (Full Legal on Pages 1-2)  
**Parcel Number:** P37668

**REAL ESTATE CONTRACT**

1. **Agreement to Purchase and Sell.** Jan-R Corporation, a Washington corporation ("Seller") agrees to sell to Aaron Ostrom, an unmarried individual ("Buyer") and Buyer agrees to buy from Seller, the following property in Skagit County, Washington, commonly known as 622 Rhodes Road, Sedro-Woolley, and legally described as follows (the "Property"):

That portion of the East 1/2 of the Northeast 1/4 of the Northeast 1/4 of Section 26, Township 35 North, Range 4 East W.M., described as follows:

Commencing at a point on the West line of the East 1/2 of the Northeast 1/4 of the Northeast 1/4 of said Section 26, said point being (variation 22-1/2 degrees East) 465.6 feet South and 658.8 feet West of the Northeast corner of said Section 26; thence North along the West line of said East 1/2 of the Northeast 1/4 of the Northeast 1/4, 450 feet; thence East 225 feet; thence South 450 feet; thence West 225 feet to the place of beginning;

ALSO, a tract of land in the East 1/2 of the Northeast 1/4 of the Northeast 1/4 of Section 26, Township 35 North, Range 4 East W.M., described as

follows:

Commencing at a point on the West line of the East 1/2 of the Northeast 1/4 of the Northeast 1/4 of said Section, said point being (variation 22-1/2 degrees East), 688.6 feet South and 658.8 feet West of the Northeast corner of said Section 26, said point being on the North line of the Rhodes Road; thence North along the West line of said East 1/2 of the Northeast 1/4 of the Northeast 1/4, 223 feet, more or less, to the South line of the above described tract; thence East 225 feet along said South line; thence South 165.8 feet to the North line of the County Road known as the Rhodes Road; thence South 75 degrees 45' West, 232.2 feet along the North line of said County road to the place of beginning.

EXCEPT any portion of the above described tracts lying within the road right-of-way along the North line thereof; ALSO EXCEPT from the above-described tracts the East 85 feet of the South 170 feet of the North 185.6 feet of the following described tract:

That portion of the Northeast 1/4 of the Northeast 1/4 of Section 26, Township 35 North, Range 4 East W.M., lying West of and adjacent to the Plat of "SUSAN TAYLOR ADDITION TO SEDRO WOOLLEY," according to the plat recorded in Volume 6 of Plats, page 43, records of Skagit County, Washington.

**2. Purchase Price.** The purchase price for the Property is Three Hundred and Sixty-Nine Thousand Dollars and 00/100ths (\$369,000.00) (the "Purchase Price") of which Twenty-Five Thousand Dollars and 00/100ths (\$25,000.00) has been paid, receipt being acknowledged. Buyer agrees to pay the balance of the Purchase Price as follows:

Balance Due and Amount Financed:	\$344,000.00
Interest Rate:	5.75% per annum.
Term:	5 years, with 30-year amortization.
Installment Payments:	\$2,007.49 is due on August 1, 2025, and on the first of each month thereafter. This amount represents principal and interest and is based on a 30-year amortization.
Final Payment:	August 1, 2030, at which time all remaining unpaid principal, accrued and unpaid interest, and all other amounts owing and unpaid shall be due and payable in full.

All payments shall be made at the place designated by Seller. The deferred portion of the Purchase Price that Buyer is to pay to the Seller shall be paid in the amounts and on the dates described above until the Final Payment is due. Each payment made by Buyer shall be applied first to costs and expenses for which Buyer is then liable hereunder, then to accrued interest, and then to principal then due. Interest shall accrue on the declining principal balance.

**3. Late Charges.** If any payment on the Purchase Price is not made within ten (10) days after the date it is due, Buyer shall pay a late charge equal to 5% of the amount of such payment. Such late payment charge shall be in addition to all other remedies available to Seller and the first amounts received from Buyer after such late charges are due shall be applied to the late charges.

**4. Prepayment.** Buyer may prepay all or any portion of the Purchase Price.

**5. Possession.** Buyer shall be entitled to possession of the Property on the date of this contract (the "Date of Possession").

**6. Assessments and Taxes.** Buyer shall pay before delinquency all property taxes, assessments, utility charges, and any other costs levied or assessed against the Property and hereafter falling due; except that real estate taxes for year 2025 shall be prorated as of the Date of Possession. In the event any taxes, assessments, rents or charges to be paid by Buyer are paid by Seller, Buyer shall promptly reimburse Seller. Upon failure of Buyer to pay any taxes, assessments, rent or charge, any amount so paid shall be added to and be secured in the same manner as the unpaid Purchase Price, bear interest at the rate of twelve percent (12%) per annum and be due immediately.

**7. Improvements.** Seller and Buyer anticipate Buyer making improvements to the Property to increase its value in an effort to obtain conventional financing. Buyer plans to reroof the house on the Property, add dormers, and eventually add bedrooms upstairs. These items and any other improvements or alterations Buyer may perform are collectively referred to as the "Improvements." Buyer shall provide Seller with at least ten (10) days written notice prior to performing any Improvements. Such notice shall describe the work to be performed, estimated cost, estimated timeline for completion, and identify any contractors Buyer proposes to use (if other than Buyer). Seller may object to any Improvements by providing written notice to Buyer within seven (7) days of receipt of Buyer's written notice, but Seller shall not unreasonably withhold consent to Improvements. Any Improvements, other than cosmetic alterations, shall become part of the Property and ownership of the same shall remain with Seller unless and until the Property is conveyed to Buyer.

Buyer shall be responsible, at Buyer's sole cost, for obtaining all required governmental approvals and permits. Seller shall cooperate in good faith with Buyer in obtaining such permits. All Improvements shall be done in a good and workmanlike manner, in strict compliance with all applicable federal, state and local laws, ordinances, rules and regulations. In the event Buyer does not close on the purchase of the Property, Buyer shall, on demand from Seller at Buyer's sole cost and expense, remove any

Improvements, alterations, or additions to the Property made without Seller's consent, and shall repair and restore any damage to the Property caused by any such removal.

**8. Liens, Charges and Encumbrances.** Buyer shall pay, before a delinquency of any debts secured thereby, all liens, charges or encumbrances hereafter lawfully imposed on the Property, assumed by Buyer in this contract or subject to which this purchase and sale is made, and shall not allow any part of the Property to become subject to liens, charges or encumbrances having priority over the rights of Seller in the Property. Notwithstanding anything to the contrary provided above in this Section 7, Buyer shall not be responsible for any liens or encumbrances (or payment of title obligations secured thereby) imposed upon the Property subsequent to the date of this contract by or through Seller unless such liens, encumbrances or obligations are expressly assumed by Buyer.

**9. Condition of Premises and Upkeep.** Buyer hereby accepts the Property in the condition existing on the date of this contract and confirms that neither the Seller nor any agent or representative of the Seller has given or made any warranty or representation whatsoever concerning the physical condition thereof or the uses or purposes to which the same may now or hereafter be placed. Buyer shall maintain the Property and all improvements now or later placed on the Property in working order and in a good state of repair and shall not allow or commit any waste. Breach of this provision shall entitle Seller, upon the giving of ten (10) days' notice, to go upon the Property and perform such services and acts as are necessary to comply with this provision. The necessary costs and expenses of these services and acts shall be considered an indebtedness immediately payable to Seller, which Seller shall have the right to collect or at Seller's option shall be considered an obligation under the contract, shall be added to the principal of the contract and shall bear interest at the contract rate from date that the indebtedness was incurred. The methods of giving notice as herein provided shall be in the same manner as provided for in RCW 61.30.050(2)(b) and (3).

**10. Indemnification.** Buyer shall indemnify and hold the Seller harmless for any losses, damages, costs, claims, and liabilities, including attorney's fees, caused by any negligent, reckless or intentional act of, or negligent or reckless failure to act by Buyer, or any of its agents, servants, employees, independent contractors, invitees, or licensees on, about, or with respect to the Property, and for any breach of this contract by the Buyer or any of such persons, and this covenant of indemnification shall survive the delivery of the Seller's deed to the Buyer.

**11. Insurance.**

**A. Property Insurance.** Buyer shall, at buyer's own cost and expense, keep the Property insured against loss or damage by fire, windstorm, and all other casualties covered by a property insurance policy with such additional coverage or endorsements as the Seller may reasonably require from time to time, in an amount not less than the greater of (i) the unpaid balance of the Purchase Price; and (2) the full replacement value of all structures and improvements on the Property. The insurance policy shall expressly include the Seller as a named insured and shall include provisions to the effect that it cannot be materially modified

or canceled prior to Seller receiving not less than thirty (30) days' written notice thereof, and shall be deposited with the Seller. The policy shall provide that any loss shall be payable first to Seller, then to Buyer, as their respective interests may appear.

Buyer may within 30 days after loss negotiate a contract to substantially restore the Property to its condition before the loss. If insurance proceeds are sufficient to pay the contract price for restoration or if the Purchaser 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 Seller shall determine. In the event of forfeiture, all rights of Purchaser in insurance policies then in force shall pass to Seller.

B. Liability Insurance. If Buyer undertakes any business activities on the Property, Buyer shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements on an occurrence basis. This policy shall name Seller and other parties designated by Seller as additional insureds using an endorsement form acceptable to Seller, and shall insure Buyer's activities and those of Buyer's contractors, visitors, guests, or other licensees or invitees with respect to the Property against loss, damage or liability for personal injury (including death) or loss or damage to property with a combined single limit of not less than \$1,000,000, and a deductible of not more than \$10,000. Buyer's insurance will be primary and noncontributory with any liability insurance carried by Seller.

C. Tenant's Failure to Purchase or Maintain Insurance. If Buyer fails to procure and maintain the required insurance, Seller is authorized to do so following notice to Buyer and the cost may be added to the balance due hereunder and shall bear interest at twelve percent (12%) per annum and shall become due immediately, or Seller may, at Seller's option, forfeit this contract.

**12. Condemnation.** If the Property or any part shall be taken and condemned, the award made for the taking shall be deemed to be the property of Buyer, but shall be paid to Seller to apply upon the Purchase Price, not exceeding any amounts then unpaid hereunder.

**13. Assignment or Transfer.** Buyer shall not assign, sell or otherwise transfer this contract or any interest in the Property without the written consent of Seller, which consent Seller may grant or withhold in its sole discretion.

**14. Destruction of Property.** In the event of damage to or destruction of any improvements upon the Property, such damage as between the parties shall be the loss of Buyer and shall not be a ground for rescission of this contract or abatement of purchase price.

**15. 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 Purchaser 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.

**16. Notice of Intent to Sell.** Buyer agrees to provide seller written notice of intent to sell at least 30 days prior to listing on the market or entering into negotiations with a potential buyer.

**Right of First Refusal.** Upon delivery to Buyer of a Statutory Warranty Deed in accordance with Section 15, Buyer shall grant Seller a right of first refusal ("Right of First Refusal") on the Property, on the following terms: In the event Buyer receives a bona fide third party offer (the "Offer") for the Property that Buyer wishes to accept, Buyer shall deliver to Seller written notice of the Offer together with a complete copy of the Offer. Such written notice may only be delivered after expiration of the 30 day notice period described above. Seller shall have seventy-two (72) hours following receipt to deliver written notice to Buyer that it wishes to purchase the Property on the terms set forth in the Offer (the "Notice of Exercise") or better. If the Seller does not exercise the Right of First Refusal within the 72-hour window, the Buyer may proceed with the sale to the third party on the terms of the Offer. Seller's Notice of Exercise shall constitute a binding agreement to purchase the Property. The Right of First Refusal shall expire fifteen (15) years after the date of mutual execution.

At the time Seller delivers the Statutory Warranty Deed to Buyer, Seller shall also deliver to Buyer a document incorporating the Right of First Refusal terms described above for Buyer's signature. Seller shall have the option to record a memorandum of the Right of First Refusal at Seller's expense. The Right of First Refusal is a material provision of this contract, without which Seller would not have agreed to sell the Property to Buyer. Buyer acknowledges that this contract and the transactions contemplated herein are sufficient consideration for the Right of First Refusal.

**17. Title.** Seller shall obtain a standard buyer's form policy of title insurance (or, at the request of Buyer and at Buyer's cost, an extended coverage form of buyer's policy of title insurance) showing insurable title to the Property in Seller as of the date of this contract, excepting matters herein expressly agreed to by Buyer or herein expressly provided to be satisfied hereafter by Seller, and insuring Buyer for the amount of the Purchase Price of the Property to be sold.

**18. Remedies.** Time is of the essence of this contract. The occurrence of any of the following shall be an Event of Default: (a) Buyer fails or neglects to make any payment of principal or interest or any other amount required hereunder when Buyer is obligated to do so, which failure continues for more than five (5) business days after receipt by Buyer of notice of such failure, (b) Buyer abandons or vacates the Property, (c) Buyer becomes insolvent, makes an assignment for the benefit of its creditors, or files or has filed against it any petition under any bankruptcy, reorganization or similar laws, (d) an Event of Default under Section 12 of this Contract occurs, or (e) Buyer fails to observe or

perform any other term, covenant or condition herein set forth, which failure continues for more than ten (10) business days after receipt by Buyer of notice of such failure (provided, however, if such failure cannot reasonably be cured in such ten (10) business day period, such ten (10) business day period shall be extended for a reasonable period of time so long as Buyer is diligently prosecuting such cure), or Upon an Event of Default, Seller may elect any of the following remedies:

18.1. To forfeit this Contract under Ch. 61.30 RCW, in which event, without limiting any remedies of Seller as provided by the said statute, all right, title and interest of Buyer and parties claiming an interest in the real subject to this Contract shall be canceled and terminated, all prior payments shall be retained by the payee thereof, all improvements shall be forfeited, and Seller shall be entitled to possession of the Property, which right may be enforced under the provisions of Ch. 59.12 RCW or other applicable law.

18.2 To declare all amounts payable under this Contract immediately due and payable and institute suit to collect such amounts, together with reasonable attorney fees; provided, if within thirty (30) days after commencement of such action, Buyer cures the default(s) and pays to Seller. Seller's actual attorneys' fees incurred and other taxable costs of suit, this contract shall be reinstated.

18.3 To commence all action for the collection of past due payments or obligations arising prior to the date of judgment.

18.4 To commence an action for specific performance of Buyer's obligations under this contract (including redress by either a mandatory or prohibitive injunction).

18.5 If an Event of Default has occurred and is continuing and Buyer abandons the Property, if any, subject hereto, pending the exercise of other rights or remedies as provided for herein, Seller may take immediate possession of the Property for the purpose of preserving or otherwise protecting the property from loss, damage or waste.

**19. Non-Waiver.** Failure of Seller to insist upon strict performance of Buyer's obligations hereunder (e.g., accepting late or partial payments) shall not be construed as a waiver by Seller of strict performance thereafter of all of Buyer's obligations hereunder and shall not prejudice Seller's remedies as provided herein or by law or equity.

**20. Brokers.** Buyer has engaged Jay Chen of Bellingham Real Estate Company as a broker for this transaction. Seller has not engaged any brokers. Buyer shall pay all brokerage fees owing to Jay Chen, and shall defend, indemnify, and hold harmless Seller from any brokerage fees claimed to be owing by Seller.

**21. Venue.** If either party commences an action to enforce rights under this contract, venue of such action, at the option of Seller, shall lie in Skagit County, Washington.

**22. Attorney's Fees and Costs.** In the event of a lawsuit between the parties to this contract, the prevailing party shall be entitled to recover judgment against the other party for reasonable attorney fees and costs (including title and lien searches) either at trial or on appeal. If either party exercises any nonjudicial right or remedy to enforce such party's rights hereunder, it shall be a condition for the cure of the default that the defaulting party pay the nondefaulting party's reasonable attorney fees incurred and all reasonable costs, including costs of service of notices and title and lien searches. Failure to pay such costs and reasonable attorney fees shall constitute an event of default under this contract.

**23. Binding Effect.** This agreement shall be binding upon and shall inure to the benefit of the legal representatives and property assigns and successors of the parties.

**24. Entire Agreement.** This contract constitutes the entire agreement of the parties on its subject matter and supersedes all prior agreements and understandings, written or oral. This contract may be amended only in writing executed by Seller and Buyer.

**25. Tank.** Seller agrees to remove the existing underground heating oil tank on the Property following the Date of Possession.

*Handwritten initials: MR, VR*

Initial  
AO

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have signed this agreement as of the \_\_\_\_\_  
date of July, 2025.

**SELLER:**

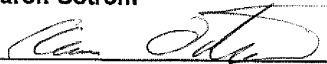
**Jan-R Corporation  
a Washington corporation**

\_\_\_\_\_  
By: Kriss Rothenbuhler  
Its: President

\_\_\_\_\_  
By: Neal Rothenbuhler  
Its: Owner

**BUYER:**

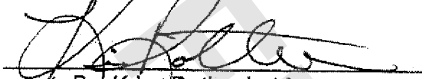
**Aaron Ostrom**


  
\_\_\_\_\_  
Aaron Ostrom

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**Jan-R Corporation**  
**a Washington corporation**

  
By: Kriss Rothenbuhler  
Its: President

  
By: Neal Rothenbuhler  
Its: Owner

**BUYER:**

**Aaron Ostrom**

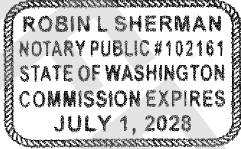
\_\_\_\_\_  
Aaron Ostrom



and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: JULY 15, 2025

Robin L Sherman  
Name: Robin L Sherman  
NOTARY PUBLIC in and for the State of  
Washington, residing at Fernall  
My commission expires: 7-1-2028



UNOFFICIAL DOCUMENT