



200307220057
Skagit County Auditor

7/22/2003 Page 1 of 8 10:48AM

RETURN TO:

Dewey W. Weddle
Attorney at Law
825 Cleveland Avenue
Mount Vernon, WA 98273

Document Title: SEPARATION CONTRACT

Reference number of documents assigned or released: N/A

Contracting Parties:

Donald Louis Bakken
18848 Sulfer Springs Road
Mount Vernon, Washington, 98274

Betty June Bakken
7302 164th Place Southwest
Edmonds, Washington 98206

3623
SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax
PAID

JUL 22 2003

Amount Paid \$ 0
Skagit County Treasurer
By: *nam* Deputy

3624
SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax
PAID

JUL 22 2003

Amount Paid \$ 0
Skagit County Treasurer
By: *nam* Deputy

Legal Description of Properties Subject to Separation Contract:

SULPHUR SPRINGS LAKE TRS LOT 47 INCL SHORELANDS & 46 & 47

Assessor's Parcel/Tax I.D. Number: P69863

SULPHUR SPRINGS LAKE TRS LOT 9 8 & 9 TGW PTN 100 FT WIDE ABND NP
RLY R/W LY W OF C/L SD R/W & BTW ELY EXT N LI SD LT 8 & S LI SD LOT 9

Assessor's Parcel/Tax I.D. Number: P69829

SEPARATION CONTRACT

Pursuant to RCW 26.09.070, DONALD L. BAKKEN (husband) and BETTY J. BAKKEN (wife) enter into this Separation Contract.

In consideration of the mutual covenants herein, the parties agree:

1. Property Distribution to Husband.

DONALD L. BAKKEN hereby receives all of the right, title and interest of the parties in the following property, except as provided in Paragraph 14:

- A. The real property located 18848 Sulfer Springs Road, Mount Vernon, Washington, 98274, legally described as follows:

SULPHUR SPRINGS LAKE TRS LOT 47 INCL SHORELANDS & 46 & 47

SULPHUR SPRINGS LAKE TRS LOT 9 8 & 9 TGW PTN 100 FT WIDE ABND NP RLY R/W LY W OF C/L SD R/W & BTW ELY EXT N LI SD LT 8 & S LI SD LOT 9

- B. All of the personal property located at 18848 Sulfer Springs Road, Mount Vernon, WA
- C. The Smith Barney IRA and Money Funds
- D. The 1996 Ford Taurus
- E. The one-third interest in the boat co-owned by Rick Bakken (son), and Doug and Kris VanderSanden, described as follows: 1990 21' Slangier with 200 hp motor

2. Property Distribution to Wife.

BETTY J. BAKKEN hereby receives all of the right, title and interest of the parties in the following property, except as provided in Paragraph 14:

- A. The real property located at 7302 164th Place Southwest, Edmonds, Washington, 98206, legally described as follows:

Donald L. Bakken *DLB*

Betty J. Bakken *BJB*



200307220057
Skagit County Auditor

HAINES WHARF 2 BLK 000 D-00 - LOT 3

- B. All of the personal property located at 7302 164th Place Southwest, Edmonds, WA
- C. The A. G. Edwards IRA
- D. The 1990 Chevrolet Lumina

3. Payment of Debts and Obligations and Hold Harmless Provision.

DONALD L. BAKKEN shall assume responsibility for payment of any and all debts and obligations, including taxes, associated with or secured by the property located at 18848 Sulfer Springs Road, Mount Vernon, WA.

BETTY J. BAKKEN shall assume responsibility for payment of any and all debts and obligations, including taxes, associated with or secured by the property located at 7302 164th Place Southwest, Edmonds, WA.

Each party shall hold the other party harmless from any collection action relating to the separate liabilities set forth above, including reasonable attorney's fees and costs incurred in defending against any attempts to collect an obligation of the other party.

4. Conveyance of Property.

This agreement operates as a conveyance by wife to husband of the enumerated items in paragraph 1 above, and henceforth such items are the sole and separate property of DONALD L. BAKKEN.

This agreement operates as a conveyance by husband to wife of the enumerated items in paragraph 2 above, and henceforth such items are the sole and separate property of BETTY J. BAKKEN.

The purpose of this paragraph is to make it clear that the community property of the parties has been recharacterized by them, by this agreement, into the separate property of each.

5. Retirement Benefits.

DONALD L. BAKKEN will continue to have an amount withheld from his Washington State Retirement plan that ensures that, if he predeceases BETTY J. BAKKEN, she will receive one-half of his retirement income for the remainder of her life.

6. Provisions for Maintenance.

Pursuant to RCW 26.09.070, the terms of maintenance set forth in this agreement may not be modified in any manner without the express written consent of both parties. In no event shall

Donald L. Bakken *DLB*

Betty J. Bakken *BJB*



200307220057
Skagit County Auditor

any court have jurisdiction to modify the maintenance provisions contained herein without the mutual consent of both parties.

As maintenance, the parties agree as follows:

- A. Commencing in May 2003, DONALD L. BAKKEN will pay to BETTY J. BAKKEN the sum of \$1650.00 (sixteen hundred and fifty dollars) per month, through the month of August, 2004. After the month of August, 2004 the amount will be reduced to \$1410.00 (fourteen hundred and ten dollars) per month.
- B. Maintenance shall terminate upon the death of the husband, the death of the wife, or the remarriage of the wife, whichever shall first occur.

7. Incorporation of Contract.

In the event an action is commenced to dissolve this marriage, or to adjudicate its status, or for legal separation, this Separation Contract shall be incorporated into the Decree of the court.

8. Revocation of Documents.

All previous wills, contracts or community property agreements between the parties are hereby revoked.

9. Representations.

The provisions of this Separation Contract are based upon the husband's representation as to the nature, extent and value of the assets of the parties (Exhibit A, attached hereto and incorporated by reference). Husband warrants and represents that he has fully disclosed the nature, extent and value of all assets, community and separate, and financial affairs of the parties known to him, and that the wife is entitled to rely upon his representation as a full and complete disclosure by husband of those facts, and that husband has provided the information as a material inducement to wife to enter into this Separation Contract, and that the wife has in fact relied on said representation in signing this Separation Contract.

10. After Separation Property and Debts and Hold Harmless Provision.

All earnings or property acquired by a party after the date of this Separation Contract shall be the separate property of the party acquiring the earnings or property.

All debts or obligations acquired by a party after the date of this Separation Contract shall be the separate debts or obligations of the party incurring the debts or obligations.

Each party shall hold the other party harmless from any collection action relating to separate liabilities set forth above, including reasonable attorney's fees and costs incurred in defending against any attempts to collect an obligation of the other party.



200307220057

Skagit County Auditor

Donald L. Bakken DLB

Betty J. Bakken BJB

11. Application of Washington Law.

This contract is to be construed according to the laws of the state of Washington.

12. Binding Agreement.

The parties have discussed this contract between themselves and any advisers each of them may have wished to consult. Both parties are aware that this agreement constitutes a legal contract, binding upon them and third parties. The parties have satisfied themselves that this agreement is fair. Each party agrees that a full disclosure has been made by the other party. This agreement is intended by the parties to be a full, final and complete statement and settlement of all rights existing between the parties.

13. Other Documents.

In the event it shall be reasonable or desirable to execute any other documents or papers to effectuate this agreement, each party shall sign the same.

14. Provisions Upon the Death of Either Party or the Sale of Real Property

If DONALD L. BAKKEN predeceases BETTY J. BAKKEN, all right, title and interest in the property located at 18848 Sulfer Springs Road, Mount Vernon, Washington, legally described in Paragraph 1, shall be given to BETTY J. BAKKEN.

If BETTY J. BAKKEN predeceases DONALD L. BAKKEN, all right, title and interest in the property located at 7302 164th Place Southwest, Edmonds, Washington, legally described in Paragraph 2, shall be given to DONALD L. BAKKEN.

If either party sells his or her respective real property before the death of the other party, both of the above provisions of this paragraph are void. The selling party shall retain all right and interest in the proceeds of the property sold, but shall lose the right to receive the real property of the other party in the event the other party predeceases him or her.

15. Attorney Fees and Costs.

In the event of litigation to enforce any terms, provisions or conditions of this contract, whether in an action relating to dissolution (including post-decree proceedings such as modification or appeal), or in a separate proceeding, the prevailing party may be awarded reasonable attorney fees and costs.



200307220057

Skagit County Auditor

Donald L. Bakken DLB

Betty J. Bakken BJB

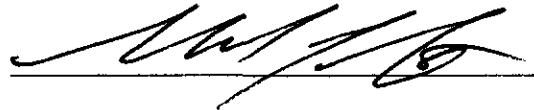
STATE OF WASHINGTON)
)
COUNTY OF Snohomish)

SS

On this day personally appeared before me BETTY J. BAKKEN, to me known to be the individual described in and who executed the within and foregoing Separation Contract, and acknowledged to me that she signed the same as her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND AND OFFICIAL SEAL

this 16th day of May, 2003.



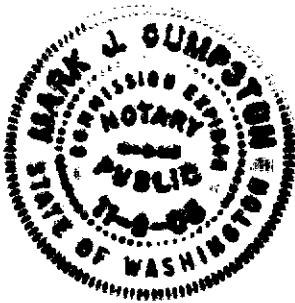
Mark S. Cumpston

(Printed Name)

Notary Public for Washington residing at

Mill Creek, Washington

My Appointment Expires: 11-9-2005



200307220057
Skagit County Auditor

Donald L. Bakken DLB, Betty J. Bakken BJB

EXHIBIT A

I. VALUATION OF PROPERTY TO BE DISTRIBUTED TO HUSBAND

- A. The real property located 18848 Sulfer Springs Road, Mount Vernon, Washington, 98274, legally described as follows:

SULPHUR SPRINGS LAKE TRS LOT 47 INCL SHORELANDS & 46 & 47

SULPHUR SPRINGS LAKE TRS LOT 9 8 & 9 TGW PTN 100 FT WIDE ABND NP RLY R/W LY W OF C/L SD R/W & BTW ELY EXT N LI SD LT 8 & S LI SD LOT 9

Assessed Value (2003): \$207,700.00

- B. All of the personal property located at 18848 Sulfer Springs Road, Mount Vernon, WA

Value: \$14,000.00 to \$15,000.00

- C. The Smith Barney IRA and Money Funds **Value: \$31,832.00**

- D. The 1996 Ford Taurus **Value: \$5,000.00**

- E. The one-third interest in the boat co-owned by Rick Bakken (son), and Doug and Kris VanderSanden, described as follows: 1990 21' Slinger with 200 hp motor

Value: \$10,000.00

II. VALUATION OF PROPERTY TO BE DISTRIBUTED TO WIFE

- A. The real property located at 7302 164th Place Southwest, Edmonds, Washington, 98206, legally described as follows:

HAINES WHARF 2 BLK 000 D-00 - LOT 3

Assessed Value (2003) \$292,000.00



200307220057

Skagit County Auditor

7/22/2003 Page 8 of 8 10:48AM

- B. All of the personal property located at 7302 164th Place Southwest, Edmonds, WA

Value: \$27,000.00 to \$28,000.00

- C. The A. G. Edwards IRA **Value: \$53,000.00**

- D. The 1990 Chevrolet Lumina **Value: \$2,000.00**