

1 **RETURN TO:**
2 CHANCEY C. CROWELL
3 POST OFFICE BOX 2866
4 WENATCHEE, WA 98807-2866
5



200408310084

Skagit County Auditor

8/31/2004 Page 1 of 10 12:06PM

11
12 **LAND TITLE OF SKAGIT COUNTY**
13 112868-S

14 **REAL ESTATE CONTRACT**
15

16 **Grantors:** Larry G. Hower and I. Lynne Hower, Trustees of the Hower Revocable
17 Living Trust.

18 **Grantees:** Berrach McMonagle, a single person and Jennifer Glyzinski, a single
19 person.

20 **Legal Desc. (abbrev.):** A portion of Section 22, Township 36 North, Range 3, E.W.M.,
21 Skagit County, Washington. Additional legal on Page 1.

22 **Tax Parcel No.:** 360322 2 014 0009.
23
24
25

26 This Contract, executed this 13th day of August, 2004, is by and
27 between Larry G. Hower and I. Lynne Hower, Trustees of the Hower Revocable Living
28 Trust, as Seller, and Berrach McMonagle, a single person and Jennifer Glyzinski, a single
29 person, as Purchaser.

30 The Sellers agree to sell, and the Purchasers agree to purchase, upon the terms and
31 conditions herein specified, the property in Skagit County, State of Washington, described
32 as follows:

33 The Southeast ¼ of the Northwest ¼ of Section 22, Township 36 North, Range 3
34 E.W.M., situate in the County of Skagit, State of Washington.
35

4684
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

REAL ESTATE CONTRACT - 1

AUG 31 2004

CHANCEY C. CROWELL

Attorney at Law
925 Fifth Street, Suite B
Post Office Box 2866
Wenatchee, WA 98807-2866
(509) 667-9377

Amount Paid \$ 5073.00
By Skagit Co. Treasurer Deputy
lp

1 SUBJECT TO covenants, conditions, agreements, waivers, future assessments,
2 reservations, easements, and restrictions, if any, of record or apparent upon the
3 premises and SUBJECT TO matters relating to water and water rights and rights of
4 way for necessary facilities for the distribution of water and right of entry for repair
5 and maintenance.
6

7 The terms and conditions of this Contract are as follows: The purchase price TWO
8 HUNDRED EIGHTY FIVE THOUSAND AND NO/100 DOLLARS (\$285,000.00), of
9 which ONE HUNDRED FORTY TWO THOUSAND FIVE HUNDRED AND NO/100
10 DOLLARS (\$142,500.00) have been paid, the receipt whereof is hereby acknowledged, and
11 the balance of said purchase price shall be paid as follows (such payments including
12 interest): the entire balance of principal and accrued interest shall be paid in full on or
13 before the 31st day of August, 2006, provided, however, that in the
14 event Purchaser has made reasonable and diligent efforts to acquire appropriate permits to
15 harvest timber from the real property and the permitting process has delayed the harvesting
16 of the timber and the payment of the proceeds thereof to payoff said Note, then the balloon
17 payment date shall be extended for a reasonable time, not to exceed twelve (12) months,
18 to allow Purchaser to complete the permitting process, the harvest of the timber and
19 payment of the balance due. Seller shall receive sixty percent (60%) of the timber gross
20 sales directly from the mill and said payment shall apply to the reduction of principal and
21 interest for the payment of the purchase price. The Purchaser further agrees to pay interest
22 on the diminishing balance of said purchase price at the rate of six percent (6%) per annum
23 from the 1st day of September, 2004, which interest shall be deducted
24 from each installment payment and the balance of each payment applied in reduction of
25 principal. All payments to be made hereunder shall be made at 3305 Blanchard
26 Road, Bon WA 98232 or at such other place as the Seller
27 may direct in writing.

REAL ESTATE CONTRACT - 2

CHANCEY C. CROWELL

Attorney at Law
925 Fifth Street, Suite B
Post Office Box 2866
Wenatchee, WA 98807-2866
(509) 667-9377



200408310084

Skagit County Auditor

8/31/2004 Page

2 of

10 12:06PM

1 1. As to this Contract, the date of closing shall be the 31st day of
2 August, 2004. Taxes and assessments for the current year shall be pro-
3 rated as of date of closing. Excise tax shall be paid by Seller.

4 2. The Purchaser agrees that full inspection of said property has been made and that
5 neither the Seller nor their assigns shall be held to any covenant respecting the condition
6 of any improvements thereon nor shall the Purchaser or Seller, or the assigns of either, be
7 held to any covenant or agreements, for alterations, improvements or repairs, unless the
8 covenant or agreement relied on is contained herein or is in writing and attached to and
9 made a part of this Contract.

10 3. The Purchaser agrees to commit no waste on the property and to pay all taxes
11 and assessments hereafter becoming a lien on said property before the same shall become
12 delinquent. The property is currently classified timberland. In the event Purchaser elects
13 to convert any portion or all of the real property into a classification other than classified
14 timberland, then Purchaser shall be solely responsible to pay any and all back taxes
15 generated by the conversion. Seller, as legal owner, agrees to assist Purchaser in any
16 appropriate manner by signing the appropriate documents to obtain reclassification of a
17 homesite (1 acre to 6 acres in size) at no cost to Seller.

18 4. If Purchaser fails to pay any taxes, assessments, fire insurance, or utility bill
19 which is a lien on the property, before delinquency, the Seller, at its option, may pay the
20 same and said payments shall become immediately due and payable by Purchaser with
21 interest at the Contract rate.

22 5. The Purchaser shall have possession of said property, and rents, if any, on
23 closing, and shall continue in such possession so long as the terms of this Contract are fully
24 complied with.

25 6. This Contract shall not be assignable or assumable and in the event the herein
26 described property or any part thereof, or any interest therein is sold, agreed to be sold or

REAL ESTATE CONTRACT - 3

CHANCEY C. CROWELL

Attorney at Law
925 Fifth Street, Suite B
Post Office Box 2866
Wenatchee, WA 98807-2866
(509) 667-9377



200408310084

Skagit County Auditor

1 conveyed, all obligations secured by this instrument, irrespective of the maturity dates
2 expressed therein, at the option of the holder hereof and without demand or notice shall
3 immediately become due and payable.

4 7. Default.

5 A. Purchaser's Default. The Purchaser shall be in default under this Contract if it
6 (a) fails to observe or perform any term, covenant or condition herein set forth or those of
7 any prior encumbrances, or (b) fails or neglects to make any payment of principal or interest
8 or any other amount required to be discharged by the Purchaser precisely when obligated
9 to do so, or (c) becomes or is declared insolvent or makes an assignment for the benefit of
10 creditors, or files any debtor's petition or any petition is filed against it under any
11 bankruptcy, wage earner's, reorganization or similar act, or (d) permits the property or any
12 part thereof or its interest therein to be attached or in any manner restrained or impounded
13 by process of any court, or (e) conveys the property or any portion thereof without any prior
14 written consent required herein of the Seller.

15 B. Seller's Remedies. In the event the Purchaser is in default under this Contract
16 the Seller may, at its election, take the following courses of action:

17 1. Suit For Delinquencies. The Seller may institute suit for any installment
18 amounts or other sums due and payable under this Contract as of the date of the
19 Judgment and any sums which have been advanced by Seller as of said date
20 pursuant to the provisions of this Contract, together with interest on all of said
21 amounts at the default rate from the date each such amount was advanced or due,
22 as the case may be, to and including the date of collection;

23
24 2. Acceleration. Upon giving the Purchaser not less than fifteen (15) days written
25 Notice of its intent to do so (within which time any monetary default may be cured
26 without regard to the acceleration), and if the default is in the nature of a failure to
27 timely pay any principal, interest, insurance premium, tax, or other sum of money
28 required to be paid herein or any failure to obtain any consent of the Seller herein
29 required for a conveyance of the Purchaser's title to the property, or if the Purchaser
30 commits waste on the property, the Seller may declare the entire unpaid balance of
31 the purchase price and all interest then due thereon and the prepayment premium

REAL ESTATE CONTRACT - 4

CHANCEY C. CROWELL

Attorney at Law
925 Fifth Street, Suite B
Post Office Box 2866
Wenatchee, WA 98807-2866
(509) 667-9377



200408310084
Skagit County Auditor

1 to be immediately due and payable and institute suit to collect such amounts,
2 together with any sums advanced by the Seller pursuant to the provisions of this
3 Contract, and together with interest on all of said sums at the default rate from the
4 due date or date of each such advance to and including the date of collection;
5

6 3. Forfeiture and Repossession. The Seller may cancel and render void all rights,
7 title and interest of the Purchaser and its successors in this Contract and in the
8 property (including all of Purchaser's then existing rights, interest and estates
9 therein and timber, crops and improvements thereon) by giving a Notice of Intent
10 to Forfeit pursuant to RCW 61.30.040-070, and said cancellation and forfeiture
11 shall become effective if the default therein specified has not been fully cured
12 within ninety (90) days thereafter and the Seller records a Declaration of Forfeiture
13 pursuant to RCW 61.30.040-070. Upon the forfeiture of this Contract the Seller
14 may retain all payments made hereunder by the Purchaser and may take possession
15 of the property ten (10) days following the date this Contract is forfeited and
16 summarily eject the Purchaser and any person or persons having possession of the
17 said property, through or under the Purchaser who were properly given the Notice
18 of Intent to Forfeit and the Declaration of Forfeiture. In the event the Purchaser or
19 any person or persons claiming by, through or under the Purchaser who were
20 properly given the Notice of Intent to Forfeit and the Declaration of Forfeiture
21 remain in possession of the property more than ten (10) days after such forfeiture,
22 the Purchaser, or such person or persons, shall be deemed tenants at will of the
23 Seller and the Seller shall be entitled to institute an action for summary possession
24 of the property, and may recover from the Purchaser or such person or persons in
25 any such proceedings the fair rental value of the property for the use thereof from
26 and after the date of forfeiture, plus costs, including the Seller's reasonable
27 attorney's fees;
28

29 4. Specific Performance. The Seller may institute suit to specifically enforce any
30 of the Purchaser's covenants hereunder, and the same may include redress by
31 mandatory or prohibitive injunction;
32

33 5. Remedies under the Uniform Commercial Code. The Seller shall have and the
34 Purchaser hereby grants to the Seller all of the rights and remedies contained in the
35 Uniform Commercial Code in effect in the State of Washington as of the date of the
36 Purchaser's default and to the extent such remedies may be applicable to the type
37 of collateral affected thereby;
38

REAL ESTATE CONTRACT - 5

CHANCEY C. CROWELL

Attorney at Law
925 Fifth Street, Suite B
Post Office Box 2866
Wenatchee, WA 98807-2866
(509) 667-9377



200408310084

Skagit County Auditor

1 6. Receivership. The parties hereto recognize and agree that in the event of default
2 by the Purchaser in making any payments or in the performance of any of the other
3 terms and conditions of this Contract, the period of time involved in repossessing
4 the property, forfeiting this Contract, or in obtaining possession of the property by
5 judicial process could cause irreparable damage to the seller and to the property or
6 the possible acceleration of the debts secured by the prior encumbrances.
7 Therefore, the Purchaser hereby expressly agrees that in the event of any default
8 under this Contract which is not cured the Seller shall have the right to apply to the
9 Superior Court of the County in which the real property is situated for the
10 appointment of a receiver under Chapter 7.60 of the Revised Code of Washington
11 (or any chapter supplemental thereto) to take charge of and maintain control of,
12 manage, farm, or operate the property, to evict tenants therefrom who are not then
13 in compliance with their leases, to lease any portion or all of the property in the
14 name of the Purchaser on such terms as the receiver may deem advisable, to make
15 such alterations, repairs and improvements to the property as the receiver may deem
16 advisable and to receive all rents and income therefrom and issue receipts therefor,
17 and out of the amounts that are so received to pay all of the debts and obligations
18 for which the Purchaser is liable hereunder prior to or during the period of the
19 receivership, including, without limitation, payments on or for this Contract, prior
20 encumbrances, taxes, assessments, insurance premiums, utility bills and costs of
21 operating, maintaining, repairing and managing the property. Any sums received
22 by the receiver in excess of said amounts shall be retained by the receiver to
23 discharge all remaining liabilities of the Purchaser under this Contract until the
24 entirety of such obligations have been satisfied, at which point any remaining
25 excess shall be paid to the Purchaser without interest; and

26
27 7. Cumulative Remedies. Sellers remedies are cumulative and the election of one
28 remedy or more shall not bar any other remedy which Seller may have.
29

30 C. Purchaser's Remedies. In the event the Seller should default in any of its
31 obligations under this Contract and such default continues for fifteen (15) days after the
32 Purchaser gives the Seller written Notice specifying the nature thereof and the acts required
33 to cure the same, the Purchaser shall have the right to specifically enforce this Contract,
34 institute suit for its damages caused by such default, or pursue any other remedy which may
35 be available to the Purchaser at law or in equity.

REAL ESTATE CONTRACT - 6

CHANCEY C. CROWELL

Attorney at Law
925 Fifth Street, Suite B
Post Office Box 2866
Wenatchee, WA 98807-2866
(509) 667-0277



200408310084

Skagit County Auditor

1 D. Costs and Attorney's Fees. If either party shall be in default under this Contract,
2 the non-defaulting party shall have the right, at the defaulting party's expense, to retain an
3 attorney or collection agency to make any demand, enforce any remedy, initiate a lawsuit,
4 initiate a forfeiture proceeding, or otherwise protect or enforce its rights under this
5 Contract. The defaulting party hereby promises to pay all costs and expenses so incurred
6 by the non-defaulting party, including, without limitation, arbitration and court costs,
7 collection agency charges, notice expenses, title search expenses, and reasonable attorney's
8 fees (with or without arbitration or litigation), and the failure of the defaulting party to
9 promptly pay the same shall in itself constitute a further and additional default. If Seller
10 institutes forfeiture proceedings, Seller shall be entitled to recover all costs and fees
11 reasonably incurred in said proceedings and Seller shall be entitled to include said fees and
12 costs in any Notice of Intent to Forfeit and demand payment of these fees and costs to cure
13 any defaults. In the event either party hereto institutes any action (including arbitration) to
14 enforce the provisions of this Contract, the prevailing party in such action shall be entitled
15 to reimbursement by the losing party for its court costs and reasonable attorney's fees,
16 including such costs and fees that are incurred on appeal. All reimbursements may be
17 offset against any sum owed to the party so liable in order of maturity, and shall bear
18 interest at the default rate from the date of demand to and including the date of collection
19 or the due date of any sum against which the same is offset.

20 8. Any payments coming due during the time that the Notice of Intent to Forfeit is
21 in effect shall be automatically included in said Notice of Intent to Forfeit and the
22 Purchaser must pay said payment or payments in addition to the amounts called for in the
23 Notice.

24 9. Any notice, demand or communication given by either party to this Contract to
25 the other party shall be in writing and transmitted to the other party by certified mail,
26 addressed to said party at their address shown below; provided, that either party may

REAL ESTATE CONTRACT - 7

CHANCEY C. CROWELL

Attorney at Law
925 Fifth Street, Suite B
Post Office Box 2866
Wenatchee, WA 98807-2866
(509) 667-9377



200408310084

Skagit County Auditor

1 change their place of address by notice to the other party as provided in this Contract. The
2 mailing and certifying of any such notice, demand or communication, as herein provided,
3 shall be a sufficient service thereof. In the event statute requires another form of service or
4 Notice, the statutory form of service or notice shall be utilized.

5 10. The Purchaser assumes all risk of loss or damage to the whole or any part of
6 the property covered by this Contract, from any and all causes, and such loss or damage
7 shall not affect any of the obligations of the Purchaser under this Contract. If any property
8 is taken for public use, the portion of the condemnation award remaining after payment of
9 reasonable expenses of procuring the same shall be paid to the Seller and applied as
10 payment on the purchase price herein, unless the Seller elects to allow the Purchaser to
11 apply all or a portion of such condemnation award to the rebuilding or restoration of any
12 improvements damaged by such taking. In case of damage or destruction from a peril
13 insured against, the proceeds of such insurance remaining after payment of the reasonable
14 expense of procuring the same shall be devoted to the restoration or rebuilding of such
15 improvements within a reasonable time, unless Purchaser elects that said proceeds shall be
16 paid to the Seller for application on the purchase price of this Contract.

17 11. The Seller agrees to furnish a standard policy of title insurance, certified to the
18 date hereof, showing title in Seller free from encumbrances except those stated herein.

19 12. The Seller agrees, upon receiving full payment of the purchase price and
20 interest in the manner above specified, to execute and deliver to Purchaser a Statutory
21 Warranty Deed to said real estate excepting any encumbrances as stated above and those
22 that may attach after date of closing through any person other than the Seller. In the event
23 Purchaser elects to reclassify a homesite and thereafter seeks financing to construct a
24 residence on the homesite, then Seller agrees to provide a partial Fulfillment Deed to
25 Purchaser as to the homesite so selected upon receipt of payment a prorated portion of the
26 then pending balance of this Real Estate Contract, prorated based on the acreage of the

REAL ESTATE CONTRACT - 8

CHANCEY C. CROWELL

Attorney at Law
925 Fifth Street, Suite B
Post Office Box 2866
Wenatchee, WA 98807-2866
(509) 667-9377



200408310084
Skagit County Auditor

1 homesite divided by the entire acreage of the real property described herein, times the
2 remaining principal balance.

3 13. This Contract and all its terms shall be binding upon the parties hereto and their
4 assigns and successors in interest.

5
6
7
8 PURCHASERS:

PURCHASER'S ADDRESS:

9
10
11
12 
13
14 Berrach McMonagle

786 West Road
Sedro Woolley, WA 98284

15
16
17
18 
19
20 Jennifer Glyzinski

21
22
23
24
25 //

26
27 //

28
29 //

30
31 //

32
33 //

34
35 //
36
37

REAL ESTATE CONTRACT - 9

CHANCEY C. CROWELL

Attorney at Law
925 Fifth Street, Suite B
Post Office Box 2866
Wenatchee, WA 98807-2866
(509) 667-9377



200408310084

Skagit County Auditor

1
2 SELLERS:

SELLER'S ADDRESS:

3
4
5 Larry G. Hower, Trustee
6 Larry G. Hower, Trustee
7
8
9

3305 Blanchard Road
Bow, WA 98232

10
11 I. Lynne Hower, Trustee
12 I. Lynne Hower, Trustee
13
14

15
16 STATE OF WASHINGTON)

17) ss.
18 County of Skagit)
19
20

21 I certify that I know or have satisfactory evidence that Larry G. Hower and I. Lynne
22 Hower are the persons who appeared before me, and said persons acknowledged that
23 persons signed this instrument, on oath stated that they are authorized to execute the
24 instrument and acknowledged it as the Trustees of the Hower Revocable Living Trust to
25 be the free and voluntary act of such party for the uses and purposes mentioned in the
26 instrument.

27
28 DATED this 13th day of August, 2004.
29
30

31 Cathleen McMonagle
32 Cathleen McMonagle
33
34 Notary Public in and for the
35 State of Washington, residing
36 at Wenatchee
37
38

Commission Expires: 05/19/07



REAL ESTATE CONTRACT - 10

CHANCEY C. CROWELL

Attorney at Law
925 Fifth Street, Suite B
Post Office Box 2866
Wenatchee, WA 98807-2866
(509) 667-9377



200408310084
Skagit County Auditor