



200503180040

Skagit County Auditor

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9 9:18AM

RETURN TO:

LAW OFFICE

of

BRADFORD E. FURLONG, P.S.
825 CLEVELAND AVENUE
MOUNT VERNON, WASHINGTON 98273
(360) 336-6508

Document Title: Grant of Option in Lieu of Condemnation

Reference number of documents assigned or released: N/A

Grantor: Sue Ellen Taylor

Grantee: Skagit County Public Hospital District No. 1

Partial Legal Description: (Full legal on page 1 of Option)

Lot 9, Blk 1, "HARTLEY & RINGS ADD TO MV.

Assessor's Parcel/Tax I.D. Number: 3727-001-009-0005/P53014

GRANT OF OPTION IN LIEU OF CONDEMNATION

THIS GRANT OF OPTION is made this 11th day of March 2005, by and between Skagit County Public Hospital District No. 1, a Washington municipal corporation (hereinafter referred to as the "Optionee") and Sue Ellen Taylor, a single person (hereinafter referred to as the "Optionor"). This agreement is reached in lieu of condemnation.

1. **Property:** The Property subject to this Grant of Option Agreement is the real property owned by Optionor located in Skagit County and legally described below (the "Property").

Lot 9, Block 1, "HARTLEY & RINGS ADD. TO MOUNT VERNON," as per plat recorded in Volume 6 of Plats, page 16, records of Skagit County, Washington.

Situate in the City of Mount Vernon, Skagit County, state of Washington.

Parcel I.D. #3727-001-009-0005/P53014

2. **Consideration:** "Consideration" for this agreement is the Optionee's agreement to pay in full:

A. \$7,590.63. The amount required to reinstate the Deed of Trust filed under Skagit County Auditor's File No. 200107030130 and to terminate the Trustee's sale described in the Notice of Trustee's Sale recorded under Skagit County Auditor's File No. 200412220125;

B. The amount required to satisfy the lien filed under Skagit County Auditor's File Number 200306130190;

C. The amount required to satisfy the lien filed under Skagit County Auditor's File Number 200312100118;

D. The amount required to satisfy the judgment recorded under Skagit County Auditor's File No. 200407190064, Superior Court Judgment No. 04-9-01040-1, Skagit County Superior Court cause number 04-2-01096-1; and

E. The amount required to satisfy the lien filed under Skagit County Auditor's File Number 200407290032;

F. The amount required to pay any other lien and to bring the Optionor's City of Mount Vernon utility account current.

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

MAR 17 2005

Amount Paid By
Skagit Co. Treasurer
Deputy
By *MA*

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The total of the foregoing payments shall not exceed fifteen thousand dollars (\$15,000.00) and shall be paid by Optionee to or on behalf of Optionor on mutual acceptance hereof, the adequacy and sufficiency of which are acknowledged by Optionor. The Consideration is not refundable, except: (a) under the conditions set forth in paragraphs 6 and 13; or (b) upon breach of this Agreement by Optionor. Optionor agrees to immediately provide to Optionee all communications confirming the payoff of the foregoing items (A - E) or requiring further funds to satisfy the indebtedness.

3. **Right to Purchase:** Optionor hereby conveys and grants to Optionee an irrevocable and exclusive right to purchase the Property set forth in paragraph 1 provided that the closing of occur on or before November 30, 2008, subject to paragraph 4 hereof.

4. **Exercise of Option:** Optionee shall, if it so elects, exercise this option by giving written notice ("Exercise Notice") thereof to Optionor at any time after or upon July 1, 2007, with the closing of the sale to occur no less than thirty (30) nor more than sixty (60) days thereafter; *provided*, that in the event any beneficiary of a deed of trust or mortgage or the holder of any type of lien whatsoever against the subject property commences foreclosure proceedings of any type, Optionee may immediately give the Exercise Notice. Any closing to occur after commencement of any type of foreclosure proceeding shall, at Optionee's discretion, occur prior to any action to complete foreclosure. Optionor may at any time, by written notice to Optionee, demand that the option be exercised and that the closing of the sale occur in with sixty days (60) days of such notice.

5. **Purchase Price:** The purchase price shall be the fair market value to be determined by Robert Suttles, MAI. The parties agree that the fair market value established by Mr. Suttles shall be final and conclusive, with no right of protest or appeal. The purchase price shall increase by 1/2 of 1% of the original purchase price on the first day of each month following the date hereof.

6. **Title:** Title to the Property shall be marketable at closing. Rights, reservations, covenants, conditions, and restrictions, easements, and encroachments, presently of record, and not materially affecting the value of the Property or unduly interfering with Optionee's intended use of the Property shall not cause the title to be considered unmarketable. Optionee shall conclusively be deemed to have accepted the condition of title unless Optionor receives notice of Optionee's objections within fourteen (14) days after the preliminary commitment for title insurance is received by or made available to Optionee. Encumbrances not assumed in writing by Optionee shall be paid by Optionor on or before closing.

7. **Title Insurance:** Upon mutual acceptance hereof, Optionor authorizes closing agent, at Optionor's expense, to apply for a standard form owner's policy of title insurance, inflation protection endorsements, if applicable, and available at no additional cost, to be



issued by Land Title Company. The title policy shall contain no exceptions other than those contained in said standard form and those not inconsistent with this Agreement. If title is not so insurable and cannot be made so insurable before or at closing, Optionee may elect either to waive such encumbrances or defects, or to terminate this Agreement and receive a refund of the option Consideration.

8. **Conveyance:** Title shall be conveyed by statutory warranty deed free of encumbrances and defects except those accepted by Optionee in writing.

9. **Closing:** Closing agent shall be the Law Office of Bradford E. Furlong, P.S., 825 Cleveland Avenue, Mount Vernon, Washington 98273. This sale shall be closed in accordance with a date consistent with paragraphs 3 and 4 hereof. "Closing" means the date on which all documents are recorded and the sale proceeds are available for disbursement to Optionor. Optionee and Optionor shall deposit with closing agent all documents and monies required to complete this sale in accordance with this Agreement.

10. **Closing Costs & Proration:** Optionee shall pay title insurance, escrow fee, and real estate excise tax. Property taxes shall be prorated at closing. Appraisal costs for Robert Suttles shall be paid by Optionee.

11. **Possession:** Optionee shall be entitled to possession on closing.

12. **Notices:** Unless otherwise specified in this Agreement, any and all notices required or permitted to be given under this Agreement must be given in writing. All notices must be signed by an authorized representative of party giving the notice. Notices shall be deemed to be given when actually received by or at the address/or facsimile number of the intended recipient or three (3) business days after deposited in the U.S. Mail, postage prepaid, to such addresses, whichever is sooner. Notices may be transmitted by facsimile so long as the original notice is deposited in the United States mail or other parcel delivery service by the next business day, addressed to the other party. Transmittal confirmation shall be preclusive evidence of addressee's receipt of notice by facsimile.

Notices shall be given to:

Sue E. Taylor
225 S 12th
Mount Vernon, Washington 98274
Facsimile No. (____) ____ - _____

Skagit County PHD No. 1:
Gregg A. Davidson, Superintendent
P.O. Box 1376
Mount Vernon, WA 98273
Facsimile No. (360) 428-2416



Each party shall be deemed to have received notices when delivered to the foregoing address/facsimile numbers unless addressee has notified addressor of an address change prior to transmittal. The person authorized by Optionee to give notices hereunder is: Gregg A. Davidson, Superintendent, Skagit County Public Hospital District No. 1, or his successor.

13. **Hazardous Substances:** Optionor shall disclose to Optionee within thirty (30) days of mutual acceptance:

A. Whether, to Optionor's knowledge, the Property, or any portion thereof, has been affected by the presence of, or there is present on any portion of the Property, oil, hazardous waste, toxic substances or other pollutants or material (hereinafter "Hazardous Substances") present that could be a detriment to the Property or in violation of any local, state or federal law or regulation; and/or

B. Whether, to Optionor's knowledge, there are potentially hazardous environmental conditions upon any portion of the Property; and/or

C. Whether, to Optionor's knowledge, Optionor or any other user or occupant of any part of the Property known to Optionor has ever been cited for violating any federal, state or local Hazardous Substances or environmental law or regulation with respect to operations or activities on or about the Property. Optionor shall also deliver any and all reports, test results, and/or other documents relating to the presence or absence of Hazardous Substances on or about the Property to Optionee within said thirty (30) day period. If Optionee shall receive information that the Property has been affected with any environmental contaminants or Hazardous Substances at any time prior to closing, Optionee, at its discretion, may; (i) delay closing up to ninety (90) days to investigate environmental conditions; or (ii) terminate its obligation to purchase the Property and receive a refund of its Consideration.

14. **Hold Harmless:** In the event it is determined, after this transaction closes, that due to any act or omission of Optionor or its predecessor owners of the Property, there is a presence of Hazardous Substances or other pollutants or material that could be a detriment to the Property or which renders the Property in violation of any local, state or federal law or regulation, and of which Optionor had knowledge prior to closing, then in that event, Optionor agrees to pay, be responsible for and hold Optionee harmless from any remedial action to either remove or repair the cause of said Hazardous Substance, waste or other pollutants or material that is a detriment to the Property or that renders the Property in violation of any local, state or federal law or regulation or constitutes and health hazard to any life form and from any and all fines, penalties or assessments imposed upon Optionee therefor. This Paragraph 14 shall survive closing and shall bind and inure to the benefit of the parties' successors and assigns.

15. **Computation of Time:** Unless otherwise expressly specified herein, any period of time specified in this Agreement shall expire at 5:00 p.m. of the last calendar day of the specified period of time, unless the last day is Saturday, Sunday, or legal holiday, as

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prescribed in RCW 1.16.050, in which event the specified period of time shall expire at 5:00 p.m. of the next business day. Any specified period of five (5) days or less shall include business days only.

16. **Termination:** In the event of termination of this Agreement, any costs authorized under this Agreement shall be paid by the party responsible therefor.

17. **General Provisions:** Time is of the essence. There are no verbal agreements which modify this Agreement. This Agreement constitutes the full understanding between Optionor and Optionee.

18. **Litigation, Costs:** If any legal action or any other proceeding, including an arbitration or action for declaratory relief, is brought for the enforcement of this Agreement or because of a dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party shall be entitled to recover reasonable attorney fees and other costs incurred in that action or proceeding, including appeals, in addition to any other relief to which the prevailing party may be entitled.

"Prevailing party" shall include without limitation:

- A. A party dismissing an action in exchange for sums allegedly due;
- B. A party receiving performance from the other party of an alleged breach of covenant or a desired remedy where the performance is substantially equal to the relief sought in an action; or
- C. The prevailing party as determined by a court of law.

Venue for any suit shall be solely in Skagit County; this Agreement shall be interpreted pursuant to Washington law.

19. **Successors and Assigns:** This Agreement shall, in whole or in part, inure to the benefit of and be binding on the parties and their respective successors, heirs, assigns, mortgagee and/or beneficiaries. All references to "Optionor" and "Optionee" include respective successors, heirs, assigns, mortgagees and/or beneficiaries of each.

20. **Recordation:** This Agreement, or a memorandum thereof, may be recorded at Optionee's option and expense.

21. **Quitclaim Deed:** Upon termination of this Agreement in accordance with its terms, Optionee shall deliver to Optionor a signed and acknowledged Quitclaim Deed in the



appropriate form. Optionor may record the Quitclaim Deed following the termination of this Agreement.

22. **Exhibits:** All exhibits and any others referred to in this Agreement are incorporated into this Agreement by reference.

23. **Relocation Assistance:** As allowed by Title 8 RCW, Optionee hereby agrees to reimburse Optionor its: (a) actual moving expenses up to one thousand dollars (\$1,000.00); and (b) the difference in price paid for comparable replacement housing for Sue Ellen Taylor to the extent the replacement housing purchase price exceeds the purchase price for the property subject to this Agreement up to a maximum amount of five thousand dollars (\$5,000.00) and as incurred by Sue Ellen Taylor, each if incurred within one year of closing of this transaction. This paragraph shall survive closing.

24. **Captions:** Captions and headings in this Agreement, including the title of this Agreement, are for convenience only and are not to be considered in construing this Agreement.

25. **Modification and Amendment:** This Agreement may not be modified or amended except in writing signed by Optionor and Optionee.

26. **Optionor's Acknowledgement:** Optionor, by her initials below hereby certifies and acknowledges that she has read this entire "Grant of Option in Lieu of Condemnation" and understands that:

A. **THIS IS A BINDING AGREEMENT THAT IMPOSES AN IRREVOCABLE LEGAL OBLIGATION ON SUE ELLEN TAYLOR TO SELL HER REAL PROPERTY LOCATED AT 225 S. 12TH, MOUNT VERNON, WASHINGTON;**

SET

B. **BRADFORD E. FURLONG, ATTORNEY AT LAW, AND KATHY ANDERSON REPRESENT PUBLIC HOSPITAL DISTRICT NO. 1, NOT OPTIONOR;**

SET

C. **NEITHER BRADFORD E. FURLONG, ATTORNEY AT LAW, NOR KATHY ANDERSON HAS PROVIDED LEGAL ADVICE TO OPTIONOR;**

SET

D. **OPTIONOR HAS BEEN ADVISED TO SEEK LEGAL COUNSEL AND IS UNDER NO COMPULSION TO SIGN THIS AGREEMENT.**

SET



Signed this 11th day of March 2005, by:

SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT NO. 1

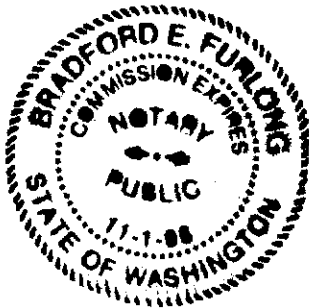
By:

Gregg A. Davidson
GREGG A. DAVIDSON, Superintendent

STATE OF WASHINGTON)
) SS.
COUNTY OF SKAGIT)

On this 11th day of March 2005 before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Gregg A. Davidson to me known to be the superintendent of Skagit County Public Hospital District No. 1, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.



Bradford E. Furlong
Notary Public in and for the State of Washington,
Residing at MT Vernon
My commission expires: 11/01/08
Print Name: Bradford E. Furlong



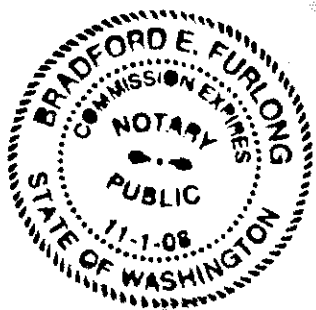
Signed this 11th day of March 2005, by:

Sue Ellen Taylor
SUE ELLEN TAYLOR

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this day personally appeared before me Sue Ellen Taylor to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged 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 11th day of March 2005.



Bradford E. Furlong
Notary Public in and for the state of
Washington, residing at Mt. Vernon
My commission expires: 11-1-8
Printed Name: Bradford E. Furlong