

Filed for Record at the Request Of:  
Land Title Company  
3010 Commercial Avenue  
Anacortes, Washington 98221



200809160058  
Skagit County Auditor

9/16/2008 Page 1 of 6 12:14PM

**LAND TITLE OF SKAGIT COUNTY**

**129821-MAC**

Document Title: FIRST RIGHT OF REFUSAL

Grantor: ROBERT MURDOCK, JR. and STACY L. MURDOCK

Grantee: JEFFREY E. HEATH

Tax/Parcel Numbers: 1. 350319-4-005-0002 / P34513  
2. 350319-4-005-0200 / P124886

Abbrev. Legal Descriptions: 1. Acreage Account, Acres 1.00, O/S#76  
AF#8103060026 1982 Lot 1 Short Plat#PL06-0251  
AF#200608040012 Located in SE1/4

2. Acreage Account, Acres 7.87, O/S#76  
AF#8103060026 1982 Lot 3 Short Plat#PL06-0251  
AF#200608040012 Located in SW1/4 SE1/4.

**FIRST RIGHT OF REFUSAL**

THIS AGREEMENT dated as set forth below, between Robert Murdock, Jr. and Stacy L. Murdock, husband and wife (collectively, "Seller") and Jeffrey E. Heath ("Buyer").

In consideration of the promises and the mutual agreement hereinafter set forth, the parties agree as follows:

1. **PROPERTY:** On the terms and subject to the conditions set forth in this Agreement, Seller hereby grants Buyer a first right of refusal to the following ~~land~~ <sup>building</sup> situated in Skagit County, Washington:

SKAGIT COUNTY AUDITOR  
REAL ESTATE EXCISE TAX

SEP 16 2008

Amount Paid \$  
Skagit Co. Treasurer  
By *MM* Deputy

**Land Segment #1**

Lot 1, Short Plat No. PL06-0251, "Murdock Short Plat", approved August 2, 2006, recorded August 4, 2006, under Auditor's File No. 200608040012, records of Skagit County, Washington.

**Land Segment #2**

The northernmost five (5) acres of the following parcel:

Lot 3, Short Plat No. PL06-0251, "Murdock Short Plat", approved August 2, 2006, recorded August 4, 2006, under Auditor's File No. 200608040012, records of Skagit County, Washington.

**Land Segment #3**

The following portion of Lot 3, Short Plat No. PL06-0251, "Murdock Short Plat", approved August 2, 2006, recorded August 4, 2006, under Auditor's File No. 200608040012, records of Skagit County, Washington:

Beginning at the Northwest Corner of Lot 1 of said Short Plat No. PL06-0251; Thence North 89 degrees 54' 31" West, for a distance of 96.83 feet; Thence North 00 degrees 14' 11" West, for a distance of 340.13 feet; Thence North 89 degrees 54' 31" West, for a distance of 59.46 feet; Thence South 00 degrees 14' 11" East, for a distance of 60.17 feet; Thence North 89 degrees 54' 31" West, for a distance of 52.00 feet; Thence in a Southerly direction to the Northwest corner of Lot 1 of said Short Plat No. PL06-0251, that being the Point of Beginning.

2. **CONSIDERATION:** As consideration for this first right of refusal, Buyer is purchasing Lot 2 of said Short Plat No. PL06-0251, "Murdock Short Plat" from Seller. agreed to a lease of a portion of the above described property from Seller.

3. **FIRST RIGHT OF REFUSAL FOR LAND SEGMENT #1:** If Seller decides to sell Land Segment #1 and receives an acceptable written offer, then Seller shall give notice to Buyer that Seller intends to accept the offer, and furnish Buyer with a copy of the offer to be accepted. To exercise this first right of refusal, Buyer must, within thirty (30) days of receiving such notice, agree in writing to purchase Land Segment #1, in cash, for its appraised fair market value. The parties agree that a sale under a mortgage or deed of trust foreclosure, tax foreclosure, or other lien foreclosure will trigger Buyer's first right of refusal. The written purchase and sale agreement shall be a standard NWMLS Form 21, with no contingencies, except that Buyer shall have the right to revoke the offer within fourteen (14) days after receiving a copy of the appraisal, at which point the right of refusal to Land Segment #1 shall become null and void forever. Seller shall be required, within sixty (60) days of receiving notice that Buyer intends to exercise the right of refusal, to obtain at Seller's expense a current appraisal from a Washington State Certified Real Estate Appraiser. If Buyer does not revoke the offer as provided above, Seller shall, within forty (40) days of delivering the appraisal to Buyer, convey Land Segment #1 to Buyer by Statutory Warranty Deed, free and clear of all taxes, assessments, liens,



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encumbrances, and charges to the date of the closing of the sale of the property, except that it is agreed that all taxes and special assessments accruing for the calendar year in which the date of closing of the purchase under this first right of refusal shall fall, shall be prorated as of the date of closing. Buyer shall pay all cash at closing. Closing costs shall be split equally between the parties, except that Seller shall pay the real estate excise tax and furnish at Seller's expense a standard form owner's title insurance policy. If Buyer fails to exercise this first right of refusal, Seller shall be free to sell Land Segment #1 to the offeror, and this first right of refusal will be null and void as to any subsequent offers or sales.

4. FIRST RIGHT OF REFUSAL FOR LAND SEGMENT #2: If Seller decides to sell Land Segment #2 and receives an acceptable written offer, then Seller shall give notice to Buyer that Seller intends to accept the offer, and furnish Buyer with a copy of the offer to be accepted. To exercise this first right of refusal, Buyer must, within thirty (30) days of receiving such notice, agree in writing to purchase Land Segment #2, in cash, for its appraised fair market value. The parties agree that a sale under a mortgage or deed of trust foreclosure, tax foreclosure, or other lien foreclosure will trigger Buyer's first right of refusal. The written purchase and sale agreement shall be a standard NWMLS Form 21, with no contingencies, except that Buyer shall have the right to revoke the offer within fourteen (14) days after receiving a copy of the appraisal, at which point the right of refusal to Land Segment #2 shall become null and void forever. Seller shall be required, within sixty (60) days of receiving notice that Buyer intends to exercise the right of refusal, to obtain at Seller's expense a current appraisal from a Washington State Certified Real Estate Appraiser. If Buyer does not revoke the offer as provided above, Seller shall, within forty (40) days of delivering the appraisal to Buyer, convey Land Segment #2 to Buyer by Statutory Warranty Deed, free and clear of all taxes, assessments, liens, encumbrances, and charges to the date of the closing of the sale of the property, except that it is agreed that all taxes and special assessments accruing for the calendar year in which the date of closing of the purchase under this first right of refusal shall fall, shall be prorated as of the date of closing. Buyer shall pay all cash at closing. Closing costs shall be split equally between the parties, except that Seller shall pay the real estate excise tax and furnish at Seller's expense a standard form owner's title insurance policy. If Buyer fails to exercise this first right of refusal, Seller shall be free to sell Land Segment #2 to the offeror, and this first right of refusal will be null and void as to any subsequent offers or sales.

5. FIRST RIGHT OF REFUSAL FOR LAND SEGMENT #3: If Seller is able to procure the permission from applicable governmental authorities to create a separate lot out of Land Segment #3; Seller is ready, willing, and able to sell Land Segment #3 to Buyer; and Seller gives written notice to that effect to Buyer; then Buyer shall have thirty (30) days to agree in writing to purchase Land Segment #3, in cash, for the sum of one hundred fifty thousand dollars (\$150,000.00), with the closing of such sale to occur within ninety (90) days of the original written notice by Seller. The written purchase and sale agreement shall be a standard NWMLS Form 21, with no contingencies, and conveyance shall be by Bargain and Sale deed, free from encumbrances other than those suffered by Buyer.

6. DURATION. This first right of refusal shall be effective perpetually, unless and until Buyer fails to exercise it or it becomes null and void as described in Sections 3-5, above.



7. COST OF ENFORCING AGREEMENT: If either party to this Agreement defaults hereunder, such party shall pay the costs of the non-defaulting party hereunder, which are reasonably incurred by reason of such default, including but not limited to the cost of attorneys and investigative costs, whether or not a lawsuit is commenced because of such default.

8. NOTICES: Except as otherwise expressly provided by law, all notices, demands, or other writings that this first right of refusal permits or requires to be given by either party to the other, shall be deemed to have been fully given when personally delivered to the party to whom they are directed, or in lieu of such personal service, when deposited in the United States mail, first-class postage prepaid, addressed as follows:

To Seller: ROBERT J. MURDOCK, JR.  
STACY L. MURDOCK  
12611 Persons Road  
Bow, Washington 98232

To Buyer: JEFFREY E. HEATH  
Post Office Box 3002  
Winthrop, Washington 98862

The address to which any notice, demand, or other writing may be given or made or sent to any party as above provided may be changed by written notice given by such party as above provided.

9. GOVERNING LAW: It is agreed that this Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Washington.

10. VENUE: Venue for any cause under this Agreement is Skagit County, Washington.

11. PARTIAL INVALIDITY: Should any provision of this Agreement be held by a court of competent jurisdiction to be either invalid, void, or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect unimpaired by the holding.

12. ENTIRE AGREEMENT: This written Agreement constitutes the entire and complete agreement between the parties hereto regarding the first right of refusal described herein, and supersedes any prior oral or written agreements between the parties regarding same. Any prior understanding or representation of any kind regarding the subject matter of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.

13. MODIFICATION OF AGREEMENT: Any modification of this Agreement or additional obligation assumed by either party in connection with this Agreement shall be binding only if evidenced in a writing signed by each party.

14. INTERPRETATION: This Agreement has been submitted to the scrutiny of all parties hereto and their counsel if desired, and shall be given a fair and reasonable interpretation



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in accordance with the words hereof, without consideration or weight being given to its having been drafted by any party hereto or its counsel.

15. BINDING EFFECT: This Agreement shall bind the current and future owners of the lands described above, for the sole benefit of the current and future owners of Lot 2, Short Plat No. PL06-0251, "Murdock Short Plat", approved August 2, 2006, recorded August 4, 2006, under Auditor's File No. 200608040012, records of Skagit County, Washington.

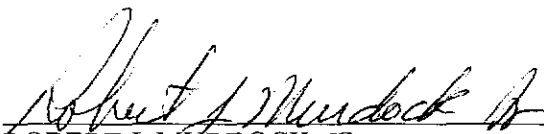
16. TIME OF THE ESSENCE: It is specifically declared and agreed that time is of the essence of this lease Agreement.


17. PARAGRAPH HEADINGS AND CAPTIONS: The titles to the paragraphs and other captions within this lease Agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this lease Agreement.


18. ASSIGNMENT: This Agreement is not assignable, except that it shall automatically pass to the fee simple owner(s) of Lot 2, Short Plat No. PL06-0251, "Murdock Short Plat", approved August 2, 2006, recorded August 4, 2006, under Auditor's File No. 200608040012, records of Skagit County, Washington.

19. SUBDIVISION AND AGGREGATION: It is understood by the parties, and all of them, that it is not legally permissible, presently, to subdivide Lot 3 so as to sell Land Segments 1, 2, and 3 as individual parcels, and that this first right of refusal is executed for purposes of subdivisions or aggregations that may be permitted at some point in the future.

Dated this 1<sup>st</sup> day of Sept., 2008.

  
ROBERT J. MURDOCK, JR.  
(Seller)

  
STACY L. MURDOCK  
(Seller)

  
JEFFREY E. HEATH  
(Buyer)



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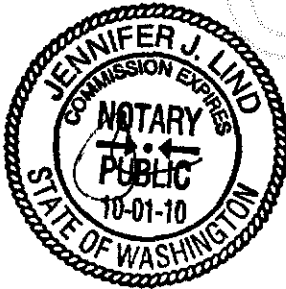
**ACKNOWLEDGEMENTS**

STATE OF WASHINGTON       )  
  )  
COUNTY OF SKAGIT        )

ss.

On this day personally appeared before me ROBERT J. MURDOCK, JR. and STACY L. MURDOCK, to me known to be the individuals described in and who executed the foregoing document and acknowledged that they signed said document as their free and voluntary acts and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 11<sup>th</sup> day of Sept., 2008.



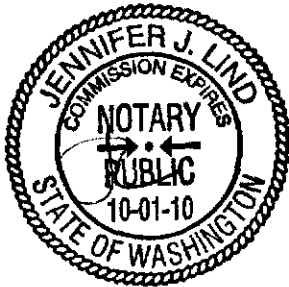
[Signature]  
NOTARY PUBLIC in and for the State of Washington,  
residing at Bow  
My appointment expires 10/01/2010

STATE OF WASHINGTON       )  
  )  
COUNTY OF Skagit        )

ss.

On this day personally appeared before me JEFFREY E. HEATH, to me known to be the individual described in and who executed the foregoing document and acknowledged that he signed said document as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 11<sup>th</sup> day of Sept, 2008.



[Signature]  
NOTARY PUBLIC in and for the State of Washington,  
residing at Bow  
My appointment expires 10-01-2010



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