

WHEN RECORDED RETURN TO:

**Robert Over
Keller Rohrback L.L.P.
1201 Third Ave, Suite 3200
Seattle, WA 98101**



**200905210091
Skagit County Auditor**

5/21/2009 Page 1 of 4 12:32PM

NOTICE OF INTENT TO FORFEIT

Pursuant to RCW 61.30

Reference No.: 200404290150
Grantors/Purchasers: JOHN W. ELLIS and SHANNON E. ELLIS, Husband and Wife
Grantees/Sellers: SAMUEL K. NONAKA and AILEEN S. NONAKA, Husband and
Wife, and SCOTT T. NONAKA, as his separate estate
Abbr. Legal: Ptn NE ¼ of SW ¼, 16-34-4-E W.M.
Assessor's Parcel No.s: 340416-3-004-0008 (P25069)
340416-3-002-0000 (P25067)
340416-3-003-0009 (P25068)

YOU ARE HEREBY NOTIFIED that the Real Estate Contract described below is in default, and you are provided the following information with respect thereto:

- (A) Name, address, and telephone number of the sellers (collectively, the "Seller") and of the attorney giving this notice:

Seller:

Samuel K. Nonaka
Aileen S. Nonaka
Scott T. Nonaka
99-127 Iwa Iwa Place
Aiea, HI 96701
(808) 628-6252

Seller's Attorney:

Robert S. Over
Keller Rohrback L.L.P.
1201 Third Ave, Suite 3200
Seattle, WA 98101
(206) 623-1900

- (B) Description of the Contract:

Real Estate Contract dated April 14, 2004, executed by Samuel K. Nonaka and Aileen S. Nonaka, husband and wife, and by Scott T. Nonaka, as his separate estate, as Seller, and by John W. Ellis and Shannon E. Ellis, husband and wife, as Buyer, which Contract was recorded under Instrument No. 200404290150, on April 29, 2004, records of Skagit County, Washington.

(C) Legal description of the property:

PARCEL "A":

The West 165 feet of the East 660 feet of the Northeast 1/4 of the Southwest 1/4 of Section 16, Township 34 North, Range 4 East, W.M.

PARCEL "B":

The West 330 feet of the East 495 feet of the Northeast 1/4 of the Southwest 1/4 of Section 16, Township 34 North, Range 4 East, W.M.

EXCEPT from both of the above parcels "A" and "B", the South 60 feet and the North 40 feet from both of the above described parcels for road and right-of-way purposed as conveyed to the City of Mount Vernon by Deed recorded under Auditor's File No. 9904090045.

PARCEL "C":

That portion of the East 165 feet of the Northeast 1/4 of the Southwest 1/4 of Section 16, Township 34 North, Range 4 East, W.M., lying South of the South line of that certain 15 foot wide strip conveyed to the City of Mount Vernon by Deed recorded March 1, 1983, as Auditor's File No. 8303010015; EXCEPT the South 60 feet thereof; ALSO EXCEPT the right-of-way for street and utility purposes conveyed to the City of Mount Vernon by easement recorded September 25, 1985, as Auditor's File No. 8509250004, over the East 30 feet thereof; ALSO EXCEPT that portion conveyed to the City of Mount Vernon by Deed recorded under Auditor's File No. 9904090045, described as follows:

Beginning at the Northeast corner of said Parcel "C", at the intersection of the South line of the right-of-way for College Way and the West line of the right-of-way for North 30 Street; thence West along the South line of the right-of-way fro College Way, a distance of 15 feet; thence Southeasterly to a point on the West line of the right-of-way for North 30th Street that is 15 feet South of the point of beginning; thence North along the West line of North 30th Street to the point of beginning.

(D) Description of each default under the Contract on which the notice is based:

1. Failure to pay the following past due items, the amounts and an itemization for which are given in Sections (G) and (H) below:

Monthly payment due on July 10, 2008; payment of principal and interest due on July 29, 2008; late charges; and interest.

2. Failure to pay when due all property taxes and assessments.

(E) The Contract will be forfeited if all defaults are not cured on or before August 21, 2009.

(F) The effects of forfeiture include, to the extent applicable, the following:

- (i) All right, title, and interest in the property of the purchaser and, to the extent elected by the Seller, of all persons claiming through the purchaser or whose interests are otherwise subordinate to the seller's interest in the property shall be terminated;
- (ii) the purchaser's rights under the contract shall be canceled;
- (iii) all sums previously paid under the contract shall belong to and be retained by the Seller or other person to whom paid and entitled thereto;
- (iv) all of the purchaser's rights in all improvements made to the property and in unharvested crops and timber thereon shall belong to the Seller; and



200905210091
Skagit County Auditor

- (v) the purchaser and all other persons occupying the property whose interests are forfeited shall be required to surrender possession of the property, improvements, and unharvested crops and timber to the Seller ten days after the declaration of forfeiture is recorded.

(G) The following is a statement of payments of money in default:

Monthly payment due 7/10/08	2,275.00
Late charge (5%) on missed monthly payment	113.75
Principal due on 7/29/08	390,000.00
Late charge (5%) on missed payment of principal	19,500.00
Post-maturity interest accrued on principal to date	25,281.00
Total	\$437,169.75

The following is a statement of defaults not involving the failure to pay money directly to the Seller, and a description of the action required to cure the default:

- (i) Failure to pay when due all taxes and assessments against the Property. The records of the Skagit County Treasurer reflect a deficiency of **\$2,964.42** for 2009 taxes that were due on April 30, 2009. To cure the default, you must pay all property taxes and assessments, including any penalties, and remit proof of payment to Seller's attorney.
- (ii) Failure to insure the property. The Seller must be reimbursed for any fees and expenses incurred as a result of any failure to insure the property as required by the Contract.

(H) The following is a statement of other payments, charges, fees and costs (based on reasonable estimates) to cure the default:

Cost of Title Insurance	1,330.86
Service/posting of Notice of Intent to Forfeit	150.00
Copying / Postage	40.00
Attorneys' fees	2,500.00
Recording fees	85.00
Long-distance phone charges	15.00
Administrative costs incurred as a result of default	300.00
Total	\$4,420.86

The total amount necessary to cure the default is the sum of the amounts in G and H, which is **\$444,555.03**, plus the amount of any payments, charges, interest, and fees that become due after the date of this Notice of Intent to Forfeit and on or prior to the date the default is cured. You must cure the default prior to August 21, 2009. Monies required to cure the default may be tendered to the following, at the following address:

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 1201 Third Ave, Suite 3200
 Seattle, WA 98101



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