



201810150097

10/15/2018 01:13 PM Pages: 1 of 7 Fees: \$105.00
Skagit County Auditor

When recorded return to:
Law Offices of Bryana Cross Bean
P.O. Box 7410
Bonney Lake, WA 98391

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

20184565
OCT 15 2018

Amount Paid \$5017.34
Skagit Co. Treasurer
By *[Signature]* Deputy

YOKEKO PROPERTY REAL ESTATE CONTRACT

1. This Yokeko Property Real Estate Contract (herein after referred to as Contract) is made by and between Dwight S. Milholland (herein after referred to as Purchaser), and Joshua D. Brown and Andrew M. Brown (collectively referred to as Sellers). This contract is entered into on this 15 of October, 2018.
 2. WHEREAS Dwight S. Milholland's father died on September 1, 2010, and his mother died on January 29, 2017. Probate of their cumulative estate was opened on April 13, 2017. Their Wills both stated that Dwight S. Milholland and his sister, Diane Brown, should split all assets equally. In the event of the death of either Dwight S. Milholland or his sister, that person's children should receive their parent's share. Sadly, Diane died in 2011, meaning that the Sellers shall inherit her portion of the estate equally. Each Seller receives twenty-five (25%) of the estate, with Dwight S. Milholland receiving fifty percent (50%).
 3. Purchaser, Dwight S. Milholland, caused to have a Personal Representative's Deed, dated October 4, 2017 filed with Skagit County (Recording #: 201710200114).
 4. WHEREAS Purchaser seeks to acquire full ownership of the property located at 15668 Yokeko Dr., Anacortes, WA 98221, Parcel #: P64908, (herein after referred to as the Yokeko Property).
 5. WHEREAS, all parties agree that the Yokeko Property is worth \$563,184.
 6. WHEREAS, Purchaser personally incurred a total of \$63,507.00 in expenses regarding Dorothy P. Milholland (decendent and prior owner of property) prior to and after her death. This amount shall be deducted from the value of Personal Property (other than Real Estate) from the Estate.
 7. WHEREAS, all parties agree that the Personal Property on the Yokeko Property is valued at \$120,543. The above-mentioned expenses incurred by the Purchaser of \$63,506.56 will be deducted from this amount.
 8. WHEREAS, a total of \$5,017.34 will be due in excise tax and recording fees to the State of Washington upon recording of this Contract. Purchaser and Sellers have agreed to split this cost equally.
 9. WHEREAS, an approximate total of \$4,000.00 has been and will be incurred in attorney's fees regarding estate administration and drafting this contract. Any final attorney's fees which are higher or lower than this amount will be processed as an addition or refund from the Sellers' portions by the Buyers in a reasonable manner.
 10. WHEREAS, a total of \$3,539.99 of additional Property Taxes from 2017 has been paid to Skagit County as a result of losing the Senior Exemption after the death of Dorothy P. Milholland. Purchaser and Sellers have agreed to split this cost equally. This amount is included in Item 6, above. Additionally, Skagit County property taxes in the amount of \$3,026.64 have been paid for the first half of 2018. Purchaser and Sellers also agree to split this cost equally. Remainder of 2018 property taxes that will be due will be prorated to capture the date when this contract is recorded and split accordingly between Purchaser and Sellers.
 11. WHEREAS, Sellers are willing to release their interest in the Yokeko Property, and convey their twenty-five (25%) each interest to the Purchaser according to the terms of this Real Estate Contract. Sellers also agree to sign a Fulfillment Deed at time of final payment in order to transfer full ownership over to Purchaser.
 12. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Sellers the following described real estate in Skagit County, State of Washington:
All of tracts 48, 49 and 50 and that portion of tract 47 lying northerly and easterly of tract deeded to Skagit County, Washington, all in Deception Pass Waterfront Tracts, Skagit County, Washington.
- Physical Address: 15668 Yokeko Drive, Anacortes, WA 98221
Tax Parcel Number(s): P64908
13. PERSONAL PROPERTY. Personal property has been estimated to have a value of \$120,543. The Purchaser personal expenses of \$63,506.56 will be deducted from the Personal Property value leaving a total of \$57,036 that will be split between Purchaser and Sellers. Therefore, \$28,518 is part of the purchase price that is attributed to personal property.

14. (a) **PRICE.** Purchaser agree to pay Sellers: ***\$307,601.55*** Total Price for the Real Estate (\$281,592.00) and remaining share of Personal Property (\$28,518.22), less Excise Tax and Recording fees of \$5,017.34 according to the following terms:
- (b) **Expenses Incurred by Purchaser.** Sellers acknowledge and agree that Buyer has incurred out-of-pocket expenses totaling \$63,506.56. This amount is to be taken from the value of Personal Property on the Estate. These expenses reflect various expenses paid out of pocket by Purchaser, including medical care, personal expenses, living expenses, real estate taxes, funeral and burial expenses, and property maintenance for Dorothy P. Milholland.
- (c) **Consideration.** In exchange for the release of rights by Sellers, Purchaser agrees to the following obligations:
- (1) Within thirty (30) days of the signing of this agreement by all parties, Purchaser agrees to pay a lump sum of \$40,000 to each Seller; and
- (2) The remaining amount of \$227,601.55 will be paid within two (2) years by Purchaser with each seller receiving \$113,800.77. Purchaser agrees to pay \$50,000 of this amount to each Seller within one (1) year. *See Exhibit A for calculation and Exhibit B for Payment Schedule.*
- (d) **NOTWITHSTANDING THE ABOVE, THE ENTIRE BALANCE OF PRINCIPAL IS DUE IN FULL NOT LATER THAN JANUARY 1, 2021.**
15. **FAILURE TO MAKE PAYMENTS ON ASSUMED OBLIGATIONS.** If Purchaser fails to make any payments on assumed obligation(s), Sellers may give written notice to Purchaser that unless Purchaser makes the delinquent payment(s) within 15 days, Sellers will make the payment(s), together with any late charge, additional interest, penalties, and costs assessed by the Holder of the assumed obligation(s).
16. **OTHER ENCUMBRANCES AGAINST THE PROPERTY.** There are no additional encumbrances against the Property.
17. **LATE CHARGES.** If any payment on the purchase price is not made within ten (10) days after the date it is due, Purchaser agrees to pay a late charge equal to 5% of the amount of such payment. Such late payment charge shall be in addition to all other remedies available to Sellers and the first amounts received from Purchaser after such late charges are due shall be applied to the late charges.
18. **NO ADVERSE EFFECT ON PRIOR ENCUMBRANCES.** Sellers warrants that entry into this Contract will not cause in any prior encumbrance (a) a breach, (b) accelerated payments, or (c) an increased interest rate; unless consented to by Purchaser in writing.
19. **POSSESSION.** Purchaser is entitled to possession of the property from and after the date of this Contract.
20. **TAXES, ASSESSMENTS, AND UTILITY LIENS.** Purchaser agrees to pay by the date due all taxes and assessments becoming a lien against the property after the date of this Contract. Purchaser may in good faith contest any such taxes or assessments so long as no forfeiture or sale of the property is threatened as the result of such contest. Purchaser agrees to pay when due any utility charges which may become liens superior to Seller's interest under this Contract. If real estate taxes and penalties are assessed against the property subsequent to date of this Contract because of a change in use prior to the date of this Contract for Open Space, Farm, Agricultural, or Timber classifications approved by the County or because of a Senior Citizen's Declaration to Defer Property Taxes filed prior to the date of this Contract, Purchaser may reduce the final settlement to the Sellers by the amount of the additional taxes due between the decedent's death and the recording of this Contract.
21. **NONPAYMENT OF TAXES, INSURANCE, AND UTILITIES CONSTITUTING LIENS.** If Purchaser fails to pay taxes or assessments, insurance premiums, or utility charges constituting liens prior to Seller's interest under this Contract, Sellers may pay such items and Purchaser shall forthwith pay Seller the amount thereof plus a late charge of 5% of the amount thereof plus any costs and attorney's fees incurred in connection with making such payment.
22. **CONDITION OF PROPERTY.** Purchaser accepts the property in its present condition and acknowledges that Seller, his/her agents, and subagents have made no representation or warranty concerning the physical condition of the property or the uses to which it may be put other than as set forth herein. Purchaser agrees to maintain the property in such condition as complies with all applicable laws.
23. **RISK OF LOSS.** Purchaser shall bear the risk of loss for destruction or condemnation of the property. Any such loss shall not relieve Purchaser from any of Purchasers' obligations pursuant to this Contract.
24. **WASTE.** Purchaser shall keep the property in good repair and shall not commit or suffer waste or willful damage to or destruction of the property. Purchaser shall not remove commercial timber without the written consent of Sellers.
25. **CONDEMNATION.** Sellers and Purchaser may each appear as owners of an interest in the property in any action concerning condemnation of any part of the property. Purchaser may within 30 days after condemnation and removal of improvements, negotiate a contract to substantially restore the premises to their condition before the removal. If the condemnation proceeds are sufficient to pay the contract price for restoration or if

the Purchaser deposits in escrow any deficiency with instructions to apply the funds on the restoration contract, the property shall be restored unless underlying encumbrances provide otherwise. Otherwise, proceeds of the award shall be applied in payment of the balance due on the purchase price, as Seller may direct.

26. **DEFAULT.** If the Purchaser fails to observe or perform any term, covenant, or condition of this Contract, Sellers may:
- (a) Suit for Installments. Sue for any delinquent periodic payment; or
 - (b) Specific Performance. Sue for specific performance of any of Purchasers' obligations pursuant to this Contract; or
 - (c) Forfeit Purchasers' Interest. Forfeit this Contract pursuant to Ch. 61.30, RCW, as it is presently enacted and may hereafter be amended. The effect of such forfeiture includes: (i) all right, title, and interest in the property of the Purchaser and all persons claiming through the Purchaser shall be terminated; (ii) the Purchasers' rights under the Contract shall be cancelled; (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 improvements made to and unharvested crops on the property shall belong to the Seller; and (v) Purchaser shall be required to surrender possession of the property, improvements, and unharvested crops to the Seller 10 days after the forfeiture.
 - (d) Acceleration of Balance Due. Give Purchaser written notice demanding payment of said delinquencies and payment of a late charge of 5% of the amount of such delinquent payments and payment of Seller's reasonable attorney's fees and costs incurred for services in preparing and sending such Notice and stating that if payment pursuant to said Notice is not received within 30 days after the date said Notice is either deposited in the mail addressed to the Purchaser or personally delivered to the Purchaser, the entire balance owing, including interest, will become immediately due and payable. Seller may thereupon institute suit for payment of such balance, interest, late charge, and reasonable attorney's fees and costs.
 - (e) Judicial Foreclosure. Sue to foreclose this Contract as a mortgage, in which event Purchaser may be liable for a deficiency.
27. **PURCHASERS' REMEDY FOR SELLER'S DEFAULT.** If Sellers fail to observe or perform any term, covenant, or condition of this Contract, Purchaser may, after 30 days' written notice to Sellers, institute suit for damages or specific performance unless the breaches designated in said notice are cured.
28. **NON-WAIVER.** Failure of either party to insist upon strict performance of the other party's obligations hereunder shall not be construed as a waiver of strict performance thereafter of all of the other party's obligations hereunder and shall not prejudice any remedies as provided herein.
29. **ATTORNEY'S FEES AND COSTS.** In the event of any breach of this Contract, the party responsible for the breach agrees to pay reasonable attorney's fees and costs, including costs of service of notices and title searches, incurred by the other party. The prevailing party in any suit instituted arising out of this Contract and in any forfeiture, proceedings arising out of this Contract shall be entitled to receive reasonable attorney's fees and costs incurred in such suit or proceedings.
30. **NOTICES.** Notices shall be either personally served or shall be sent certified mail, return receipt requested, and by regular first-class mail to Purchaser **Dwight Milholland**, at 16003 SE 258th St, Covington, WA 98042, and to the Sellers at **Joshua D. Brown**, 188 Beallwood Dr., Harlem, GA 30814; and **Andrew M. Brown**, 3227 300th St NW, Stanwood, WA 98292 or such other addresses as either party may specify in writing to the other party. Notices shall be deemed given when served or mailed. Notice to Seller shall also be sent to any institution receiving payments on the Contract.
31. **TIME FOR PERFORMANCE.** Time is of the essence in performance of any obligations pursuant to this Contract.
32. **SUCCESSORS AND ASSIGNS.** Subject to any restrictions against assignment, the provisions of this Contract shall be binding on the heirs, successors, and assigns of the Seller and the Purchaser.
33. **ADDENDA.** Any addenda attached hereto are a part of this Contract.
34. **ENTIRE CONTRACT.** This Contract constitutes the entire Contract of the parties and supersedes all prior Contracts and understandings, written or oral. This Contract may be amended only in writing executed by Seller and Purchaser.
35. **COUNTERPARTS.** This document may be signed as multiple counterparts, which together will constitute the entire agreement.

IN WITNESS WHEREOF the parties have signed and sealed this Contract the day and year first above written.

Signed this 9/19/18 (date): Dwight S. Milholland
Dwight S. Milholland, Purchaser

Signed this _____ (date): _____
Joshua D. Brown, Seller

Signed this _____ (date): _____
Andrew M. Brown, Seller

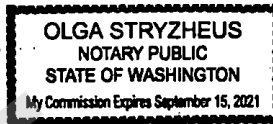
STATE OF WASHINGTON)
COUNTY OF King) ss.

On this day personally appeared before me **DWIGHT S. MILHOLLAND**, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 19 day of September, 2018.

Notary Signature: O. Stryzheus
Type or Print Name of Notary: Olga Stryzheus

NOTARY PUBLIC for the State of Washington,
residing at Tukwila WA
My appointment expires: 09/15/2021



STATE OF GEORGIA)
COUNTY OF _____) ss.

On this day personally appeared before me **JOSHUA D. BROWN**, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this _____ day of _____, 2018.

Notary Signature: _____
Type or Print Name of Notary: _____

NOTARY PUBLIC for the State of Georgia,
residing at _____
My appointment expires: _____

STATE OF WASHINGTON)
COUNTY OF _____) ss.

On this day personally appeared before me **ANDREW M. BROWN**, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this _____ day of _____, 2018.

Notary Signature: _____
Type or Print Name of Notary: _____

NOTARY PUBLIC for the State of Washington,
residing at _____
My appointment expires: _____

IN WITNESS WHEREOF the parties have signed and sealed this Contract the day and year first above written.

Signed this _____ (date): Dwight S. Milholland, Purchaser

Signed this 9-25-18 (date): Joshua D. Brown, Seller

Signed this _____ (date): Andrew M. Brown, Seller

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this day personally appeared before me **DWIGHT S. MILHOLLAND**, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this _____ day of _____, 2018.

Notary Signature: _____

Type or Print Name of Notary: _____

NOTARY PUBLIC for the State of Washington,
residing at _____
My appointment expires: _____

STATE OF GEORGIA)
) ss.
COUNTY OF _____)

On this day personally appeared before me **JOSHUA D. BROWN**, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 25th day of September, 2018.

Notary Signature: Kim Rachels

Type or Print Name of Notary: Kim Rachels

NOTARY PUBLIC for the State of Georgia,
residing at 163 Maryland
My appointment expires: 5-9-20

STATE OF ~~WASHINGTON~~)
Georgia) ss.
COUNTY OF Warren)



On this day personally appeared before me **ANDREW M. BROWN**, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this _____ day of _____, 2018.

Notary Signature: _____

Type or Print Name of Notary: _____

NOTARY PUBLIC for the State of Washington,
residing at _____
My appointment expires: _____

IN WITNESS WHEREOF the parties have signed and sealed this Contract the day and year first above written.

Signed this _____ (date): _____
Dwight S. Milholland, Purchaser

Signed this _____ (date): _____
Joshua D. Brown, Seller

Signed this 9-26-18 (date): _____
Andrew M. Brown
Andrew M. Brown, Seller

STATE OF WASHINGTON)
_____) ss. _____
COUNTY OF _____)

On this day personally appeared before me **DWIGHT S. MILHOLLAND**, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this _____ day of _____, 2018.

Notary Signature: _____

Type or Print Name of Notary: _____

NOTARY PUBLIC for the State of Washington,
residing at _____
My appointment expires: _____

STATE OF GEORGIA)
_____) ss. _____
COUNTY OF _____)

On this day personally appeared before me **JOSHUA D. BROWN**, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this _____ day of _____, 2018.

Notary Signature: _____

Type or Print Name of Notary: _____

NOTARY PUBLIC for the State of Georgia,
residing at _____
My appointment expires: _____

STATE OF WASHINGTON)
_____) ss. _____
COUNTY OF Skagit)

On this day personally appeared before me **ANDREW M. BROWN**, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 26th day of September 2018.

Notary Signature: Arlene Riddle

Type or Print Name of Notary: Arlene Riddle

NOTARY PUBLIC for the State of Washington,
residing at Sedro Woolley
My appointment expires: 08-17-2019

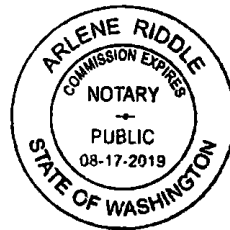


EXHIBIT A

Calculation of Amount due to Sellers

Value of Real Estate	\$563,184.00
Value of Personal Property	\$120,543.00
Total Value	\$683,727.00
Expenses prior to Death	\$52,883.77
Adjusted Estate value	\$630,843.23
Expenses after Death	\$10,622.79
Excise Tax	\$5,017.34
Final Estate value	\$615,203.10
Total Share of Estate to Sellers	\$307,601.55

EXHIBIT B

Payment Schedule to Sellers

Payment Summary	Total Due to Sellers	To each Seller
Total Settlement	\$307,601.55	\$153,800.77
Up Front Payment	\$80,000.00	\$40,000.00
Payment within one year	\$100,000.00	\$50,000.00
Final Payment (within 2 years)	\$127,601.55	\$63,800.77