

When recorded return to:

Erica Frank

PO Box 7

Clearlake, WA 98235

CHICAGO TITLE
620042345

RIGHT OF FIRST REFUSAL TO PURCHASE REAL ESTATE

Grantor: Weslee Chew, a single man

Grantee: Erica Frank, a common law partnered woman

Legal Description: Section 36, Township 35 North, Range 4 East, Ptn. S ½ SE

Assessor's Parcel No. P38424, P38425, P38426, P38427, P124097

Reference Nos. of Documents Assigned or Released: None

RIGHT OF FIRST REFUSAL TO PURCHASE REAL ESTATE

The Grantor named above hereby grants to the Grantee named above the right of first refusal to acquire the property described above (hereinafter, the Property). The consideration for this agreement is set forth by the parties Residential Real Estate Purchase and Sale Agreement dated April 16, 2020. The right of first refusal granted hereunder shall be governed by the terms stated below.

RECITALS OF THE PARTIES

A. The Grantor is received its interest in the Property from Grantee via a purchase of the Property.

B. The Grantee bargained for the retention of a right of first refusal to purchase the Property as part of the Grantor's purchase of the Property.

AGREEMENT

1. The Property. The Property is described above, which legal description is incorporated by reference and is further set forth in that certain Quit Claim Deed to Grantee recorded with the Skagit County Auditor on October 17, 2019 under Auditor's Filing No. 201910170039.

2. First Right of Refusal to Purchase. Grantor hereby grants to Grantee a right of first refusal to acquire the subject property, which may be recorded against the Property and shall run with the land. This right shall be valid for a period of thirty (30) years from the date hereof and shall expire automatically without further action by the parties. During the term of this Agreement, if the Grantors receive and intend to accept an offer to purchase the subject property, then the Grantors shall request an unconditional, bonafide written offer from the prospective purchaser stating the purchase price and the material terms of the proposed purchase. Immediately upon receiving the offer, the Grantor shall transmit a notice, setting forth in reasonable detail, all material terms for the contemplated sale, to Grantee. Such notice shall be given by certified mail, return receipt, to the Grantees' last known address, or by e-mail. It shall be the obligation of the Grantee to keep the Grantor informed as to Grantee's whereabouts and current mailing address and/or current email address. As part of the notice given by the Grantor to Grantee, the Grantor shall specify the title company acting as escrow agent in regards to the third party offer. The parties agree that Grantor may trigger all timelines hereunder by providing notice of the listing of the Property with a real estate broker.

3. Notice of Third Party Offer. Within the time specified by the Grantor (which time shall not be less than five (5) days following the notice of the offer), Grantee shall give notice of its intent to exercise the right of first refusal. Such notice of intent to exercise the right of first refusal shall be given in writing to the Grantor as well as to the escrow agent specified in the notice sent by Grantor. In the event that Grantee declines to exercise the right of first refusal or fails to respond to the escrow agent within the ten-day period, then this right of first refusal shall terminate.

4. Terms of Third Party Offer. All terms of the offer received from the third party shall apply in respond to this right of first refusal including the establishment of the selling price of the Property. In the alternative Grantee may furnish a proposed offer after the right of first refusal is exercised.

5. Exercise of Right. If Grantee exercises its rights hereunder, closing of the sale shall take place not later than 50 days from exercise of the refusal right. The parties agree that time is of the essence. If the sale is not closed within 50 days, the right of first refusal shall terminate.

6. Payment. The purchase price paid by Grantee shall be all cash at closing unless other terms are agreed upon in writing by the parties.

7. Closing Costs. Grantors shall pay title insurance, excise tax, and one half of escrow closing costs and recording fees for the Deed. The party exercising this refusal right under this Agreement shall pay one half escrow closing costs and recording costs.

8. Encumbrances. Encumbrances to be discharged by the Grantors shall be paid from closing proceeds on the date of closing. Existing utility easements and governmental restrictions shall not be deemed encumbrances or defects in title.

9. Conveyance. Conveyance by Grantors shall be fee title pursuant to Bargain and Sale Deed, free of encumbrances, exempt for covenants, conditions, restrictions and easements of record. Title to the Property shall be marketable.

10. Proration of Expenses. Property taxes, utilities and other charges shall be prorated as of date of closing, unless otherwise agreed in writing. The Grantee shall not be responsible for any expense of back taxes associated with any termination of the Open Space tax election on the subject property.

11. Title Insurance. Title Insurance shall be Owners ALTA Standard Coverage and shall contain no exceptions other than those provided for in such standard form and encumbrances as delineated above. If title cannot be made so insurable prior to the closing date, Grantee may terminate the transaction unless Grantee elects to waive such defects or encumbrances and proceed with the purchase.

12. Property Disclosure Statement. The parties waive the requirements of the Real Property Disclosure Statement purchase to RCW 64.06, and Grantees purchase shall be "as is" subject only to Grantors' obligation to remove Grantors' personal property, refuse and hazardous materials.

13. Notices. Unless otherwise specified, any period of time stated in this Agreement shall start on the day following the event commencing the period and shall expire at 9:00 p.m. of the last calendar day of the specified period of time, unless the last day is a Saturday, Sunday or legal holiday, as defined in RCW 1.16.050, in which event the specific period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Time is of the essence in this Agreement.

14. Integration. This Agreement constitutes the entire understanding of the parties and supersedes all prior or contemporaneous discussions and representations. No modification of this Agreement shall be effective unless agreed in writing and signed by both Grantor and Grantee. There are no verbal agreements or understandings between the parties that modify this Agreement. This Agreement states the full understanding between the parties.

15. FIRPTA - Tax Withholding At Closing. The closing agent shall prepare a certification that the Grantee is not a "foreign person" within the meaning of the Foreign Investment in Real Estate Property Act, which the Grantor agrees to sign if applicable. If the Grantor is a foreign person and the transaction is not exempt from FIRPTA, then the closing agent shall withhold and pay the required sums to the Internal Revenue Service.

16. Remedies. In the event of breach of this agreement the non-breaching party may obtain specific performance of this Agreement, in addition to all other remedies available at law or equity.

17. Dispute Resolution, Jurisdiction and Venue. Any disputes arising under this Agreement shall be heard exclusively in the courts of Skagit County, Washington. In the event of any dispute arising under this Agreement, the prevailing party shall be awarded reasonable attorney fees and costs.

DATED this 25 day of May 2020.

GRANTOR

GRANTEE

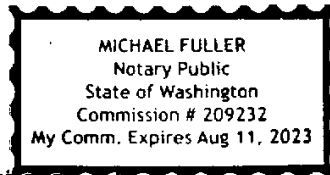


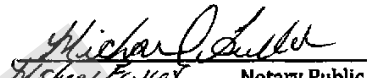
Erica Frank

State of Washington)
County of Skagit)ss

I certify that I know or have satisfactory evidence that Weslee Chew is the person appeared before me and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes in the instrument.

Dated: May 25, 2020




Michael Fuller Notary Public
My appointment expires: 8/11/2023

State of Washington)
County of Skagit)

I certify that I know or have satisfactory evidence that Erica Frank is the person appeared before me and said person acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes in the instrument.

Dated: _____

Notary Public
My appointment expires: _____

16. Remedies. In the event of breach of this agreement the non-breaching party may obtain specific performance of this Agreement, in addition to all other remedies available at law or equity.

17. Dispute Resolution, Jurisdiction and Venue. Any disputes arising under this Agreement shall be heard exclusively in the courts of Skagit County, Washington. In the event of any dispute arising under this Agreement, the prevailing party shall be awarded reasonable attorney fees and costs.

DATED this 22nd day of May 2020.

GRANTOR

GRANTEE

Weslee Chew



Erica Frank

State of Washington)
):ss
County of Skagit)

I certify that I know or have satisfactory evidence that Weslee Chew is the person appeared before me and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes in the instrument.


Dated: _____

Notary Public
My appointment expires: _____

Province of BC
State of Washington)
City of Nanaimo):ss
County of Skagit)

I certify that I know or have satisfactory evidence that Erica Frank is the person appeared before me and said person acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes in the instrument.

Dated: May 22, 2020



Notary Public
My appointment expires: December 2021

Stuart E. Wood
Lawyer & Notary
109 - 335 Wesley Street
Nanaimo, BC V9R 2T5
Phone: 250-741-0003

EXHIBIT "A"

Order No.: 620042345

For APN/Parcel ID(s): P38424 / 350436-4-001-0004, P38425 / 350436-4-001-0103, P38426 / 350436-4-002-0003, P38427 / 350436-4-003-0002 and P124097 / 350436-0-004-0400

PARCEL "A":

The East 23.5 acres of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 36, Township 35 North, Range 4 East W.M.

TOGETHER WITH a non-exclusive 50-foot wide easement for ingress, egress and utilities over, under and across those portions of Government Lots 1 and 2 of Section 1, Township 34 North, Range 4 East, W.M., as described on pages 8 and 9 of 11 on document recorded as Auditor's File No. 200406250134 and as reserved in that certain deed recorded as Auditor's File No. 200411120012 at Paragraph J, on page 4 of 5.

EXCEPT that portion of the East 23.5 acres of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 36, Township 35 North, Range 4 East, W.M., described as follows:

Beginning at the point 600 feet North of the Southeast corner of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$; thence North 145 feet; thence West 145 feet; thence South 145 feet; thence East 145 feet to the point of beginning.

Situated in Skagit County, Washington.

PARCEL "B":

That portion of the East 23.5 acres of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 36, Township 35 North, Range 4 East, W.M., described as follows:

Beginning at the point 600 feet North of the Southeast corner of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$; thence North 145 feet; thence West 145 feet; thence South 145 feet; thence East 145 feet to the point of beginning.

Situated in Skagit County, Washington.

PARCEL "C":

The Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 36, Township 35 North, Range 4 East, W.M.,

EXCEPT the East 23.5 acres thereof,

EXCEPT rights-of-way of Northern Pacific Railroad Company, Puget Sound & Cascade Railway Company and Puget Sound Pulp & Timber Company,

EXCEPT State Road No. 1-A, commonly known as Highway No. 9,

and EXCEPT THAT PORTION LYING WITHIN THE West 105.00 feet (as measured perpendicular to the West line) of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 36, Township 35 North, Range 4 East,

EXHIBIT "A"
(continued)

W.M.

Situated in Skagit County, Washington.

PARCEL "D":

The rights-of-way of the former Northern Pacific Railroad Company, the former Puget Sound & Cascade Railway Company and the Puget Sound Pulp & Timber Company across the Southwest 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East, W.M.

EXCEPT THAT PORTION LYING WITHIN THE
West 105.00 feet (as measured perpendicular to the West line) of the Southwest 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East, W.M.

Situated in Skagit County, Washington.

PARCEL "E":

That portion of the Southeast 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East, W.M., being more particularly described as follows:

BEGINNING at the Southwest corner of said Southeast 1/4 of the Southeast 1/4; thence North 0 Degrees, 6 Minutes 19 Seconds East along the West line of said Southeast 1/4 of the Southeast 1/4 for a distance of 730.00 feet; Thence South 28 Degrees, 10 Minutes 47 Seconds East for a distance of 607.16 feet; Thence South 0 Degrees, 6 Minutes, 19 Seconds West for a distance of 201.90 feet, more or less, to the South line of said Southeast 1/4 of the Southeast 1/4 at a point of bearing South 88 Degrees, 35 Minutes 18 seconds East from the **POINT OF BEGINNING**; Thence North 88 Degrees, 35 Minutes 18 Seconds West along said South line for a distance of 287.78 feet, more or less, to the **POINT OF BEGINNING**.

Situated in Skagit County, Washington.