

After recording, return to:

Judith Krause
1566 West scenic Rd. Heights
Orcas Harbor, WA 98277

SKAGIT COUNTY WASHINGTON
 REAL ESTATE EXCISE TAX
 Affidavit No. 20235817
 Mar 15 2023
 Amount Paid \$8992.40
 Skagit County Treasurer
 By Lena Thompson Deputy

GNW 23-17899

REAL ESTATE CONTRACT

1. The effective date of this contract is **March 15, 2023**. **SELLER, JUDITH A. KRAUSE**, an unmarried person, agrees to sell to **BUYER, NICOLE M. SCHMIDT**, an unmarried person, and **BUYER** agrees to buy from **SELLER**, the real property in Skagit County, Washington, with a physical and mailing address of 1702 10th Street, Anacortes, Washington 98221, which is described as follows:

The East 25 feet of Lot 19, and all of Lot 20, Block 156, City of Anacortes, according to the plat thereof recorded in Volume 2 of Plats, Page 4, records of Skagit County, Washington

(Skagit County Assessor's tax parcel no. P55985)

2. **PURCHASE PRICE AND CONTRACT PAYMENT.** The purchase price is five hundred fifty-eight thousand dollars, U.S. (\$558,000.00). The BUYER shall pay SELLER three hundred thousand dollars, U.S. (\$300,000.00) down at closing, with \$250,000.00 in cash and a \$50,000.00 unsecured promissory note. BUYER shall pay the remaining purchase price, i.e., \$258,000.00, with interest commencing to accrue on March 15, 2023, at the rate of four and five-tenths percent (4.5%) per annum on the diminishing principal balance. BUYER shall make monthly installment payments in the amount of one thousand three hundred dollars, U.S. (\$1,300.00), or more at BUYER'S election, commencing on or before April 15, 2023. Subsequently, BUYER shall pay to SELLER the same amount, or more, on or before the first (1st) of each calendar month thereafter until the contract balance is paid in full.

NOTWITHSTANDING THE FOREGOING, HOWEVER, AND UNLESS THERE ARE MUTUALLY AGREED WRITTEN EXTENSIONS OR AMENDMENTS TO THIS CONTRACT TO THE CONTRARY, ALL AMOUNTS OWING ACCORDING TO THE TERMS OF THIS CONTRACT ARE TO BE PAID IN FULL ON OR BEFORE MARCH 15, 2028.

If any payment required by this contract is not made within fifteen (15) days from the date it is due, BUYER shall pay a late charge for each such late payment in the amount of fifty dollars, U.S. (\$50:00). The late payment charge shall be in addition to all other remedies available to SELLER and the first amounts received from BUYER after such late charges are due shall be applied to the late charges.

BUYER may prepay all or a portion of the indebtedness evidenced by this contract at any time without penalty and with a savings of interest.

All payments shall be made to such address as designated and directed by SELLER.

3. **POSSESSION.** BUYER shall be entitled to possession of the subject premises as contract purchasers as of the date closing of this transaction.

4. **ASSESSMENTS AND TAXES.** From the date of this contract forward, BUYER shall pay before delinquency, all taxes, assessments, utility charges, and construction charges levied or assessed against the property. If BUYER fails to pay when due any such tax, assessment, or charge, SELLER, may, without the obligation to do so, make the payment. If SELLER makes any such payment, BUYER shall promptly reimburse SELLER. If BUYER fails to reimburse SELLER for any such taxes, assessments, or charges so paid by SELLER, such amount(s) shall be added to and be secured in the same manner as the unpaid contract balance, and shall be considered a default of BUYER'S performance of this contract.

5. **INSURANCE.** BUYER shall keep the house and other improvements on the property continuously insured under fire and extended coverage policies in an amount not less than the balance due to SELLER under this contract. Such insurance shall be issued by such company as the SELLER may approve, with loss payable first to SELLER as her interest may then appear, and then to BUYER. The BUYER shall provide proof of insurance to the SELLER annually. In the event of forfeiture, all rights of BUYER in any such insurance policies then in force shall pass to SELLER.

6. **IMPROVEMENTS.** All improvements now or hereafter made to or placed on the property shall comply with applicable law and regulation, and any applicable covenants and restrictions.

7. **LIENS, CHARGES AND ENCUMBRANCES.** BUYER shall pay, before delinquency, any debts, liens, charges, or encumbrances hereafter lawfully imposed on the property, and shall not allow any part of the property to become subject to liens, charges, or encumbrances without the prior written approval of the SELLER.

8. **CONDITION AND PROTECTION OF PREMISES.** BUYER shall maintain the property and all improvements now or later placed on the property in a good state of repair, and shall not allow the dumping of any hazardous or toxic wastes thereon.

9. **USE OF PROPERTY.** BUYER shall not make or allow any unlawful use of the property.

10. **CONDEMNATION.** If any part of the subject property is lawfully condemned, any award made for the taking shall be deemed to be the property of BUYER, but shall be paid to SELLER to apply to any amounts then still owing under this contract, with the remainder of the award, if any, to be paid to BUYER.

11. **ASSIGNMENT OR TRANSFER.** All amounts owing under this contract shall become immediately due and payable in full if BUYER assigns this contract, or in any manner transfers her interest in the subject property, without the prior written approval of SELLER, which approval SELLER may grant or withhold in her sole discretion.

12. **TITLE DOCUMENT.** When BUYER has fully performed this contract, SELLER shall execute and deliver to BUYER a statutory warranty fulfillment deed conveying the real property. The covenants of warranty in said deed shall not apply to any encumbrances assumed by BUYER or to defects in title arising subsequent to the date of this contract by, though, or under persons other than SELLER.

13. **REMEDIES.** Time is of the essence of this contract. If BUYER fails to make any payment or perform any obligation hereunder, SELLER shall be entitled to exercise all rights and remedies as allowed by law or equity, including the right to elect one or more of the following remedies:

13.1 To forfeit this contract under Ch. 61.30 RCW (Revised Code of Washington), in which event, without limiting any remedies of SELLER as provided by the said statute, all right, title and interest of BUYER and parties claiming an interest in the real and/or personal property subject to this contract shall be canceled and terminated, all prior payments shall be retained by the payee thereof, all improvements shall be forfeited, and SELLER shall be entitled to possession of the real and/or personal property, which right may be enforced under the provisions of Ch. 59.12 RCW.

13.2 To declare all amounts payable under this contract immediately due and payable and institute suit to collect such amounts, together with reasonable attorney fees; provided, if within thirty (30) days after commencement of such action, BUYER cure the default(s) and pay to SELLER the SELLER'S actual attorney's fees incurred and other taxable costs of suit, this contract shall be reinstated.

13.3 To commence an action for the collection of past due payments or obligations arising prior to the date of judgment.

13.4 To commence an action for specific performance of BUYER'S obligations under this contract (including redress by either a mandatory or prohibitive injunction).

13.5 If BUYER is in default under this contract and abandons the real and personal property, if any, subject hereto, pending the exercise of other rights or remedies as provided for herein, SELLER may take immediate possession of the real and/or personal property for the purpose of preserving or otherwise protecting the property from loss, damage or waste.

14. NONWAIVER. Failure of SELLER to insist upon strict performance of BUYER'S obligations under this contract (e.g., accepting late or partial payments) shall not be construed as a waiver by SELLER of the strict performance thereafter of any of BUYER'S obligations, and shall not prejudice SELLER'S remedies as provided herein or by law or equity.

15. ATTORNEY FEES AND COSTS. In the event of a lawsuit between the parties to this contract related to the terms of this contract and/or the enforcement thereof, the prevailing party shall be entitled to recover judgment against the other party for reasonable attorney fees and costs.

16. BINDING EFFECT. This agreement shall be binding upon and shall run to the benefit of the parties, and/or the legal representatives, successors, and/or legal assignees thereof.

SELLER:

BUYER:

Judith A. Krause
JUDITH A. KRAUSE (date)

Nicole M. Schmidt 3/14/2023
NICOLE M. SCHMIDT (date)

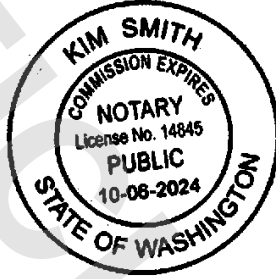
STATE OF WASHINGTON)
) ss.
County of Skagit)

This certifies that on the 15 day of March, 2023, personally appeared JUDITH A. KRAUSE, to me known to be the individual who executed the foregoing instrument and acknowledged the same as her free and voluntary act, on behalf of herself, and for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

Kim Smith
Kim Smith (print name)
Notary Public in and for the State of
Washington, residing at Mt Vernon.
My commission expires 10-6-2024.

REC2023-K



STATE OF Washington
COUNTY OF Skanan SS:

I certify that I know or have satisfactory evidence that, the persons who appeared before me, and said person(s) acknowledged that he/she/they signed this instrument and acknowledge it to be his/her/their free and voluntary act for the uses and purposes mentioned in this instrument.

Date: 3-14-23

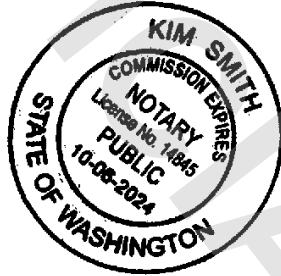
Kim Smith
Kim Smith

Printed Name:

Notary Public in and for the State of Washington

Residing at MOULT VERNON

My appointment expires: 10-6-2024



UNOFFICIAL DOCUMENT