

**First American Title Of Jefferson County**  
**2424 South Park Avenue, PO Box 598**  
**Port Townsend, WA 98368**  
**Phone: (360) 385-1322**  
**Fax: (360) 385-1877**

Agent for:

***FIRST AMERICAN TITLE INSURANCE COMPANY***

 <b>First American Title</b>	<b>Litigation Guarantee</b>
	ISSUED BY <b>First American Title Insurance Company</b>
<b>Guarantee</b>	GUARANTEE NUMBER <b>5015853-1508</b>

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE,

**FIRST AMERICAN TITLE INSURANCE COMPANY**

a California corporation, herein called the Company

**GUARANTEES**

the Assured named in Schedule A of this Guarantee

herein called the Assured, against loss not exceeding the liability amount stated in Schedule A which the Assured shall sustain by reason of any incorrectness in the assurance which the Company hereby gives that, according to the public records, on the Date of Guarantee shown in Schedule A,

1. The title to the herein described land was vested in the vestee named, subject to the matters shown as exceptions herein, which exceptions are not necessarily shown in the order of their priority; AND
2. The necessary parties defendant in an action to foreclose on Instrument No. are as herein stated.

**First American Title Insurance Company**



*Dennis J. Gilmore*

Dennis J. Gilmore  
President

*Timothy Kemp*

Timothy Kemp  
Secretary



## SCHEDULE OF EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE

1. Except to the extent that specific assurances are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:

(a) Defects, liens, encumbrances, adverse claims or other matters against the title, whether or not shown by the public records.

(b) (1) Taxes or assessments of any taxing authority that levies taxes or assessments on real property; or, (2) Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (1) or (2) are shown by the records of the taxing authority or by the public records.

(c) (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (3) water rights, claims or title to water, whether or not the matters excluded under (1), (2) or (3) are shown by the public records.

2. Notwithstanding any specific assurances which are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:

(a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the land

expressly described in the description set forth in Schedule (A), (C) or in Part 2 of this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways to which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any structure or improvements; or any rights or easements therein, unless such property, rights or easements are expressly and specifically set forth in said description.

(b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the public records; (1) which are created, suffered, assumed or agreed to by one or more of the Assureds; (2) which result in no loss to the Assured; or (3) which do not result in the invalidity or potential invalidity of any judicial or non-judicial proceeding which is within the scope and purpose of the assurances provided.

(c) The identity of any party shown or referred to in Schedule A.

(d) The validity, legal effect or priority of any matter shown or referred to in this Guarantee.

## GUARANTEE CONDITIONS AND STIPULATIONS

### 1. Definition of Terms.

The following terms when used in the Guarantee mean:

(a) the "Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.

(b) "land": the land described or referred to in Schedule (A)(C) or in Part 2, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A)(C) or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.

(c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.

(e) "date": the effective date.

### 2. Notice of Claim to be Given by Assured Claimant.

An Assured shall notify the Company promptly in writing in case knowledge shall come to an Assured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as stated herein, and which might cause loss or damage for which the Company may be liable by virtue of this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

### 3. No Duty to Defend or Prosecute.

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

### 4. Company's Option to Defend or Prosecute Actions; Duty of Assured Claimant to Cooperate.

Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

(a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in (b), or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured, or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(b) If the Company elects to exercise its options as stated in Paragraph 4(a) the Company shall have the right to select counsel of its choice (subject to the right of such Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.

(c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.

## LITIGATION GUARANTEE

Commitment No.: **53467**  
Guarantee No.: **5015853-1508**  
Effective Date: **7/08/2011 at 8:00 A.M.**  
Liability: **\$ 10,000.00**  
Premium: **\$ 400.00**  
Sales Tax: **\$ 36.00**  
Reference: **APN 950 100 303**

Assured: **Jefferson County Treasurer**

To: **Jefferson County Treasurer  
Sabrina Hathaway  
P O Box 571  
Port Townsend, WA 98368**

The estate or interest in the land described or referred to in this schedule covered by this Guarantee is:

**Fee Simple**

Title to said estate or interest at the date hereof is vested in

**Lawrence J. Kaforski aka Larence Jerome Petersen, as his separate estate**

The land referred to in this guarantee is located in the County of **Jefferson, State of Washington**, and described as follows:

**Lot 4, Block 3, Trails End Homesite, as per plat recorded in Volume 3 of Plats, page 30, records of Jefferson County, Washington.**

**Situate in the County of Jefferson, State of Washington.**

Exceptions:

1. Delinquent General Taxes.

Year: 2008  
Amount Billed: \$ 78.18  
Amount Paid: \$ 0.00  
Amount Due: \$ 78.18, plus interest and penalty  
Tax Account No.: 950 100 303  
Assessed Value: \$ 9,000

Delinquent General Taxes.

Year: 2009  
Amount Billed: \$ 76.12  
Amount Paid: \$ 0.00  
Amount Due: \$ 76.12, plus interest and penalty  
Tax Account No.: 950 100 303  
Assessed Value: \$ 9,000

Delinquent General Taxes.

Year: 2010  
Amount Billed: \$ 81.86  
Amount Paid: \$ 0.00  
Amount Due: \$ 81.86, plus interest and penalty  
Tax Account No.: 950 100 303  
Assessed Value: \$ 9,000

Delinquent General Taxes.

Year: 2011  
Amount Billed: \$ 84.90  
Amount Paid: \$ 0.00  
Amount Due: \$ 84.90, plus interest and penalty  
Tax Account No.: 950 100 303  
Assessed Value: \$ 9,000

2. Reservations contained in deed from the State of Washington recorded under Recording No. 120771, reserving all oil, gases, coal, ores, minerals, fossils, etc., and the right for opening, developing and working the same, together with any right to acquire easements or rights of way; Providing that all such rights shall not be exercised until provision has been made to compensate for damage sustained by reason of the exercise of such rights.
3. Right of the public to make necessary slopes for cuts or fills upon said premises in the original reasonable grading of streets, avenues, alleys and roads, as dedicated in the plat.
4. Right to continue to drain said roads and ways over and across any lot or lots where water might take a natural course, in the original reasonable grading of the roads and ways shown hereon.

5. Reservation by Trails End Homesites, Inc., its agents and employees, and its successors and assigns as follows:

A permanent easement for sewer lines, power lines and telephone lines, water mains, gas lines, and other public utilities, upon, over, across or under the surface of said property, together with the right to enter thereupon for the purpose of constructing, altering and maintaining the same.

6. Agreement and the terms and conditions thereof:  
Between: Bridgehaven Community Club Association, a Washington corporation  
And: Walter H. Pederson and Peggy L. Pederson, husband and wife  
Recorded: November 29, 1993  
Recording No.: 366294  
Regarding: Agreement for construction of extension to water distribution system

7. Notice to Homeowners and the Terms and Conditions thereof:  
Recorded: December 7, 2000  
Recording No.: 439373  
Regarding: Bridgehaven community water system

8. Deed of Trust and the terms and conditions thereof:  
Grantor: Lawrence Jerome Petersen  
Trustee: U.S. Small business Administration  
Beneficiary: Administrator of the Small Business Administration  
Amount: \$ 78,300.00  
Dated: October 06, 1999  
Recorded: October 20, 1999  
Recording No.: 427870

9. Notice of disqualification for future federal disaster loan assistance recorded November 1, 1999 under Recording No. 428344

10. A record of survey recorded Jefferson under Recording No. 516136, said survey discloses the following matters:

Encroachment of deck onto adjacent property

This Guarantee is restricted to the use of the Assured and is only for the purpose of providing information to facilitate litigating some matter of title affecting the land described in Schedule A. The Company shall have no liability for any reliance hereon except for the purpose for which this Guarantee is issued. This Guarantee is not a commitment nor an obligation by the company to issue any policy or policies of title insurance insuring said land, and it is not to be used as a basis for closing any transaction affecting title to said land.


Upon request within 60 days from the effective date of this Guarantee, the Company will extend the effective date of this Guarantee, by endorsement to include the recording of a (Notice of Lis Pendens) . Such an endorsement will show as additional exceptions, and therefore exclude from coverage, those matters attaching subsequent to the effective date of the Guarantee but prior to the issuance of the endorsement.

The Company may, **BUT IS NOT OBLIGATED TO**, issue additional endorsements extending the effective date of the Guarantee at the request of the assured. The fee for such Endorsement will be charged according to the Company's filed Rae Schedule for such endorsement. The Company will not, and accepts no obligation to, issue an endorsement extending the effective date to, or beyond, the date of any foreclosure sale of the premises, or date of forfeiture.

Attention is invited to the Soldiers' and Sailors' Civil Relief Act of 1940 and amendments thereto which could limit or inhibit a foreclosure or forfeiture action.

Attention is invited to the Federal Tax Lien Act of 1966 and amendments thereto which, among other things, provides for the giving of written notice in a specific manner to the Secretary of the Treasury or his delegate as a requirement for discharge or divestment of a federal tax lien. Upon request, the 30<sup>th</sup> day preceding the date of sale or forfeiture, the Company will issue an endorsement identifying any federal tax liens which may have been placed of record subsequent to the effective date of this Guarantee; however, the Company accepts no responsibility for determining said 30<sup>th</sup> day nor for issuing such endorsement without request therefore.

Attention is invited to Section 1825 (b) (2) in Title 12 of the United States Code which may require the consent of an agency of the United States for any foreclosure sale or forfeiture to be effective.

By:  \_\_\_\_\_  
Rochelle Lewis, Title Officer

## GUARANTEE CONDITIONS AND STIPULATIONS (Continued)

(d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, an Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, an Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

### 5. Proof of Loss or Damage.

In addition to and after the notices required under Section 2 of these Conditions and Stipulations have been provided to the Company, a proof of loss or damage signed and sworn to by the Assured shall be furnished to the Company within ninety (90) days after the Assured shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the matters covered by this Guarantee which constitute the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the Assured to provide the required proof of loss or damage, the Company's obligation to such assured under the Guarantee shall terminate. In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Assured provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

### 6. Options to Pay or Otherwise Settle Claims: Termination of Liability.

In case of a claim under this Guarantee, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Liability or to Purchase the Indebtedness.

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon, together with any costs, reasonable attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of purchase.

Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security, to the Company upon payment of the purchase price.

Upon the exercise by the Company of the option provided for in Paragraph (a) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4, and the Guarantee shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other Than the Assured or With the Assured Claimant.

To pay or otherwise settle with other parties for or in the name of an Assured claimant any claim assured against under this Guarantee, together with any costs, attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4.

### 7. Determination and Extent of Liability.

This Guarantee is a contract of Indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in this Guarantee and only to the extent herein described, and subject to the Exclusions From Coverage of This Guarantee.

The liability of the Company under this Guarantee to the Assured shall not exceed the least of:

- (a) the amount of liability stated in Schedule A or in Part 2;
- (b) the amount of the unpaid principal indebtedness secured by the mortgage of an Assured mortgagee, as limited or provided under Section 6 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage assured against by this Guarantee occurs, together with interest thereon; or
- (c) the difference between the value of the estate or interest covered hereby as stated herein and the value of the estate or

## GUARANTEE CONDITIONS AND STIPULATIONS (Continued)

interest subject to any defect, lien or encumbrance assured against by this Guarantee.

### 8. Limitation of Liability.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures any other matter assured against by this Guarantee in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as stated herein.

(c) The Company shall not be liable for loss or damage to any Assured for liability voluntarily assumed by the Assured in settling any claim or suit without the prior written consent of the Company.

### 9. Reduction of Liability or Termination of Liability.

All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the amount of liability pro tanto.

### 10. Payment of Loss.

(a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within thirty (30) days thereafter.

### 11. Subrogation Upon Payment or Settlement.

Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to sue, compromise or settle in the name of the Assured and to use the name of the Assured in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

### 12. Arbitration.

Unless prohibited by applicable law, either the Company or the Assured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Assured arising out of or relating to this Guarantee, any service of the Company in connection with its issuance or the breach of a Guarantee provision or other obligation.

All arbitrable matters when the Amount of Liability is \$1,000,000 or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the Assured. The Rules in effect at Date of Guarantee shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permits a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

### 13. Liability Limited to This Guarantee; Guarantee Entire Contract.

(a) This Guarantee together with all endorsements, if any, attached hereto by the Company is the entire Guarantee and contract between the Assured and the Company. In interpreting any provision of this Guarantee, this Guarantee shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.

(c) No amendment of or endorsement to this Guarantee can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

### 14. Notices, Where Sent.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this Guarantee and shall be addressed to the Company at **First American Title Insurance Company, Attn: Claims National Intake Center, 1 First American Way, Santa Ana, California 92707.**



***First American Title***

VOL 288 PAGE 11  
CHIEF CLERK  
KIMBERLIE TITLE COMPANY  
1989 SEP 22 PM 2:55  
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BY SP DEPUTY

After Recording Mail To:  
Lawrence J. Kaforski  
26261 Hansville Road NE  
Hansville, WA 98340

324731

Order No. 27371

STATUTORY WARRANTY DEED

THE GRANTOR

RODNEY L. HORA and DONNA L. HORA, husband and wife

for and in consideration of TEN DOLLARS (\$10.00) and other valuable consideration in hand paid, conveys and warrants to

LAWRENCE J. KAFORSKI and DONNA D. KAFORSKI, husband and wife

whose address is 26261 Hansville Road NE, Hansville, WA 98340, the following described real estate, situated in the County of Jefferson, State of Washington:

Lot 4, Block 3, TRAIL'S END HOMESITES, according to the plat recorded in Volume 3 of Plats, page 30, records of Jefferson County, Washington.

Subject to those matters set forth as exceptions 3, 4 and 5 in Preliminary Commitment for Title Insurance No. 27371 HORA/KAFORSKI issued by Pioneer Title Company.

Dated this 19th day of September, 1989.

*Rodney L. Hora* x *Donna L. Hora*  
Rodney L. Hora Donna L. Hora

JEFFERSON COUNTY EXCISE TAX

Alt. No. 60053

Date Paid 9,22,89 Amt. 191.85

By L. Challen, Deputy  
TREASURER

STATE OF WASHINGTON ) ss.  
County of Clark )

On this day personally appeared before me Rodney L. Hora and Donna L. Hora to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the purposes therein mentioned.

GIVEN under my hand and official seal this 19 day of September, 1989

*Steve Aus... [Signature]*  
Notary public in and for Washington  
My commission expires: Nov 23 1990  
Residing at ...  
ELVE E. AUS...  
NOTARY PUBLIC  
STATE OF WASHINGTON  
COMMISSION EXPIRES  
NOVEMBER 23, 1990

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JEFFERSON COUNTY  
MARIANNE WALTERS, CLERK

CLERK DEPT. CLERK

SUPERIOR COURT OF WASHINGTON  
COUNTY OF JEFFERSON

In re the Marriage of:  
Lawrence Jerome Kaforski  
Petitioner,  
and  
Donna Darlene Kaforski  
Respondant.

NO. 97 3 00084 2  
DECREE OF DISSOLUTION  
(DCD)

I. JUDGMENT SUMMARY

Judgment Summary is set forth below:

- A. Judgment Creditor                      Wife
- B. Judgment Debtor                        Husband
- C. Principal judgment amount                      \$12,000.00
- D. Interest to date of Judgment                      \$0
- E. Attorney's fees                                      \$0
- F. Costs    \$0
- G. Other recovery amount                              \$0
- H. Principal judgment shall bear interest at 0 % per annum.
- I. Attorney's fees, costs and other recovery amounts shall bear interest at 0 % per annum.
- J. Attorney for Judgment Creditor *DK*
- K. Attorney for Judgment Debtor *DK*

*DK*  
*UK*

*DK*

II. BASIS

Findings of Fact and Conclusions of Law have been entered in this case.

III. DECREE

IT IS DECREED that:

3.1 STATUS OF THE MARRIAGE.

The marriage of the parties is dissolved.

DECREE  
WPF DR 04.0400 (7/97)  
RCW 26.09.030; .040; .070(3)  
Page 1

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ORIGINAL

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**3.2 PROPERTY TO BE AWARDED THE HUSBAND.**

The husband is awarded as his separate property the following property:

Lot 4, Block 3, Trailsend's Homesite, according to Plat Recorded in Volume 3 of Plats at page 3, Records of Jefferson County, Washington.

That certain business operated under the name, form, and style of Lov'n It Enterprises.

1983 Reinell Fiberglass boat Registration No. WN0526KG.

1986 Toyota Truck VIN: JT4RN70D1G0004363

1976 Ford Truck VIN: F10BNA29213

1979 Ford Truck VIN: F15GRFC7099

Household furniture and furnishings

Personal Belongings

**3.3 PROPERTY TO BE AWARDED TO THE WIFE.**

The wife is awarded as her separate property the following property:

A. Household furniture, furnishings, personal property, and belongings in her possession.

UK  
DK  
UK  
DK

B. \$12,000.00 which will be payable to wife by husband in monthly installments of \$375.00, commencing May, 1998, which shall be payable on the 15th day of each succeeding month until the full amount has been paid.

C. \$1,500.00 to paid in cash upon entry of decree ~~to be put towards the \$12,500.00 judgment.~~

**3.4 LIABILITIES TO BE PAID BY THE HUSBAND.**

Does not apply.

Unless otherwise provided herein, the husband shall pay all liabilities incurred by him since the date of separation.

**3.5 LIABILITIES TO BE PAID BY THE WIFE.**

Does not apply.

Unless otherwise provided herein, the wife shall pay all liabilities incurred by her since the date of separation.

- 1 3.6 HOLD HARMLESS PROVISION.
- 2 Does not apply.
- 3 3.7 SPOUSAL MAINTENANCE.
- 4 Does not apply.
- 5 3.8 CONTINUING RESTRAINING ORDER.
- 6 Does not apply.
- 7 3.9 PARENTING PLAN.
- 8 Does not apply.
- 9 3.10 CHILD SUPPORT.
- 10 Does not apply.
- 11 3.11 ATTORNEY'S FEES, OTHER PROFESSIONAL FEES AND COSTS.
- 12 Does not apply.
- 13 3.12 NAME CHANGES.
- 14 Does not apply.
- 15 3.13 SETTLEMENT: DK  
UL

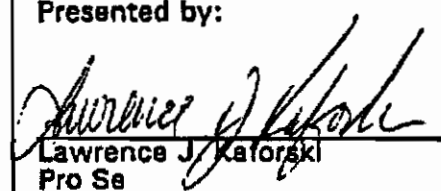
The parties have agreed to a Settlement by which husband is awarded the community property in his possession including the Real Estate and business above described and wife is awarded the community property in her possession plus judgment for \$12,000 which will be payable to wife by husband in monthly installments of \$375 without interest.


20 Dated: 5/13/98

  
 Judge/Commissioner

23 Presented by:

Approved for entry:  
 Notice of presentation waived:

24   
 Lawrence J. Kaforski  
 Pro Se

25   
 Donna Darlene Kaforski  
 Pro Se

27  
 DECREE  
 WPF DR 04.0400 (7/97)  
 RCW 26.09.030; .040; .070(3)  
 Page 3

STATE OF WASHINGTON

IN CONSIDERATION OF Eleven thousand and no/100

(\$11,000.00) Dollars,

the receipt of which is hereby acknowledged, the State of Washington does hereby grant, bargain, sell and convey unto

Trail's End Home Sites, Inc., its successors or

heirs and assigns, the following described School lands,

situated in Jefferson County, Washington, to-wit:

Lots 2 and 3, section 16, township 27 north, range 1 east, W.M., containing 67.25 acres, more or less, according to the government survey thereof.

Subject to easement for right of way for State Road heretofore granted under State Road Plat No. 647.

The above described lands are sold subject to all the provisions of Chapter 100 of the Session Laws of 1911, to which reference is hereby made, and which shall be as binding upon the grantee and any successor in interest of said grantee as though set out at length herein. The grantor hereby expressly saves, excepts and reserves out of the grant hereby made unto itself, its successors and assigns forever, all oil, gas, coal, ores, minerals and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oil, gas, coal, ores, minerals and fossils; and it also hereby expressly saves and reserves out of the grant hereby made, unto itself, its successors and assigns forever the right to enter by itself, its agents, attorneys and servants upon said lands or any part or parts thereof, at any and all times, for the purpose of opening, developing and working mines thereon, and taking out and removing therefrom all such oil, gas, coal, ores, minerals and fossils; and to that end it further expressly reserves out of the grant hereby made, unto itself, its successors and assigns forever, the right by its or their agents, servants and attorneys at any and all times to erect, construct, maintain and use all such buildings, machinery, roads and railroads, sink such shafts, remove such soil, and to remain on said lands or any part thereof for the business of mining and to occupy as much of said lands as may be necessary or convenient for the successful prosecution of such mining business here or expressly receiving to itself, its successors and assigns, as aforesaid, generally all rights and powers in, to and over said lands, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved; Provided, That no rights shall be exercised under this reservation by the State, its successors or assigns, until provision has been made by the State, its successors or assigns to pay to the owner of the land upon which the rights herein reserved to the State, its successors or assigns or sought to be exercised, full payment for all damages sustained by said owner, by reason of entering upon said land.

TO HAVE AND TO HOLD the said premises, with their appurtenances, unto the said

Trail's End Home Sites, Inc., its successors or heirs and assigns forever.

WITNESS the Seal of the State, affixed this 13th day of January, 1950

Attest: William H. King, Governor.

Ray J. Johnson, Assistant Secretary of State.

State Record of Deeds, Volume 9, Page 482

App. No. 20480

Contract No. 12319

# 120771

120771  
DEED

No. \_\_\_\_\_  
State of Washington

TO

STATE OF WASHINGTON  
County of Jefferson

I hereby certify that the within instrument  
was filed for record this 2<sup>nd</sup> day of

July, A. D. 1950

at 9 o'clock P.M. and recorded at  
the request of Bruce Jate

in Book 128 Page 231-232 Records  
of Jefferson County.

State of Washington, as witness my hand and  
official seal, this 2<sup>nd</sup> day of

July, A. D. 1950.

HELEN J. EADS

Auditor of Jefferson County, Wash.

By: Finis Jackson

Mail to:  
Franklin Home, Inc.  
P.O. Box 657  
Spokane, Wash.

Attention: Finance Dept.  
11.11.11.11

# TRAIL'S END HOMESITES, INC

## JEFFERSON COUNTY, WASHINGTON

DESCRIPTION

A portion of Government Lots 2 and 3, Section 16, Township 27 North, Range 1 East, Willamette Meridian in Jefferson County, Washington described as follows:

Beginning at the northwest corner of Government Lot 2, Section 16, Township 27 North, Range 1 East, W.M.; thence south 2516.2 feet along the west line of Government Lots 2 and 3 to the Government Meander Line; thence north 51'15" east along said Meander Line 6379 feet; thence north 376.9 feet; thence north 0°57' east 590.1 feet; thence north 18°52' east 232.9 feet; thence north 16°29' east 237.2 feet; thence north 19°51' east 153.4 feet; thence north 31'42" east 165.4 feet; thence south 69°15' east 114.8 feet; thence south 21'45" west 10.0 feet; thence south 68°15' east 220.0 feet; thence north 21'45" east 943.5 feet to the north line of said Government Lot 2; thence east along said north line 1322.8 feet to point of beginning excepting therefrom the right of way of the Secondary State Highway 9E.

### LAND SURVEYOR'S CERTIFICATE

I hereby certify that the plat of TRAIL'S END HOMESITES, INC. is based upon an actual survey and subdivision of section 16, Township 27 North, Range 1 East, W.M., that the distances and courses are shown thereon correctly, the monuments have been set and all lot and block corners have been staked on the ground.

CEL.S.

DEDICATION

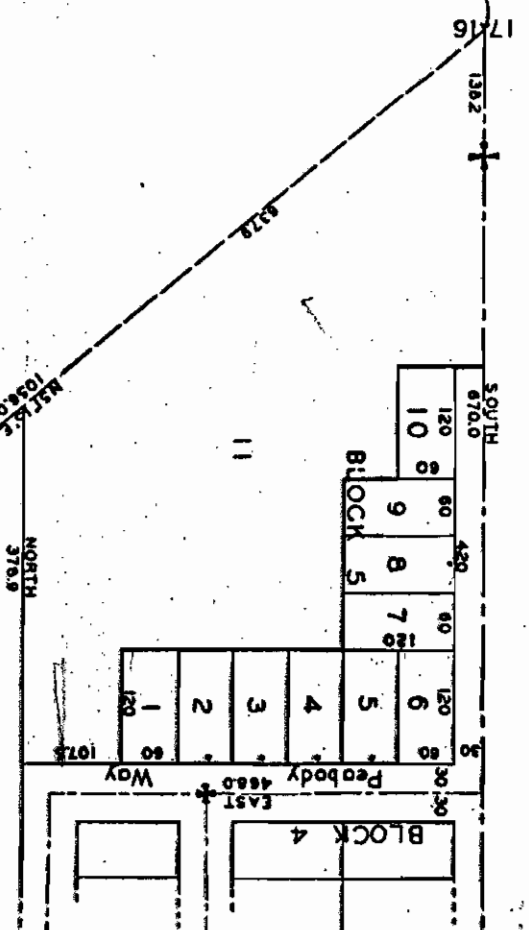
Know all men by these presents, that TRAIL'S END HOMESITES, INC., owner in fee simple of the land hereby platted, hereby dedicates this plat and dedicates to the use of the public forever all streets, avenues, places and sewer easements or whatever public property there is shown on the plat and the use thereof for any and all public purposes not inconsistent with the use thereof for public highway purposes, also the right to make all necessary slopes for cuts and fills upon the lots, blocks, tracts, etc., shown on this plat in the reasonable original grading of all the streets, avenues, places, etc., shown hereon. Also the right to drain all streets over and across any lot or lots where water might take a natural course after the street or streets are graded.

In witness whereof we have hereunto set our hands and seals this 18 day of July 1950.  
*Horace Dickinson* Chairman, Board of Directors  
*Bruce Holt* Secretary  
 Approved by me this day of A.D. 1950.

Attest:  
*Frank Spang* County Engineer  
 Approved by the Board of County Commissioners this 7 day of August, 1950.  
 Chairman *Alfred Gray*  
 Board of County Commissioners

County Auditor and Clerk  
 Board of County Commissioners  
*Jos. A. Fisher*

Meander Corner



NOTE: Concrete Monuments shown thus: +

### ACKNOWLEDGEMENT

This is to certify that on the 7 day of July A.D. 1950 before me, the undersigned, a notary public in and for the State of Washington duly commissioned and sworn, personally appeared *Horace Dickinson* Chairman, Board of Directors and *Bruce Holt* Secretary, to me known to be the individuals described in and who executed the foregoing instrument and acknowledged to me that they signed and sealed the same as their free and voluntary act and deed for the uses and purposes mentioned therein.

In witness whereof, I have hereunto set my hand and seal the day and year first above written.  
*Henry Robert Holt*  
 Notary Public in and for the State of Washington, residing at *Longview*

I, *Alfred Gray* Treasurer of Jefferson County, Washington hereby certify that all taxes on the above property are fully paid up to and including the year 1950.  
*Alfred Gray*

Filed for record at the request of TRAIL'S END HOMESITES, INC. on the 7 day of August, 1950 at 5 minutes past 11 A.M. and recorded in volume 7 of Plats page 30 Records of Jefferson County.

WALLEN EXLER  
 County Auditor  
*Edwin DeGardner, Deputy*

8/30 A



Recorded at Request of:  
After Recording Return to:

366294

THOMAS J. MAJHAN  
Attorney at Law  
P.O. Box 191  
Port Townsend, WA 98368

1371 N 252-8d  
JEFFERSON TITLE COMPANY

NOV 29 PM 4:31

JEFFERSON COUNTY REGISTER  
*Bittinger*

**AGREEMENT FOR CONSTRUCTION OF  
EXTENSION TO WATER DISTRIBUTION SYSTEM**

THIS AGREEMENT made this 30 day of August, 1993, by and between BRIDGEHAVEN COMMUNITY CLUB ASSOCIATION, a Washington corporation (herein referred to as "BRIDGEHAVEN" or "District") and WALTER H. PEDERSON and PEGGY L. PEDERSON, husband and wife, d/b/a PEDERSON MILLING AND LOGGING (herein referred to as "Developer" or "PM&L"), for permission to construct and install an extension in the District franchise territory and/or on easements which are subject to the approval of the District and to connect the same to the water distribution system of District and makes the following representations and agreements, to wit:

**1. LOCATION OF EXTENSION**

The proposed extension will be installed in roads and/or easements and/or on other approved rights-of-way and shall be for the use and benefit of the property hereafter described. Developer who is installing and is responsible for the costs of said extension along Thorndyke Road; said property is situate in Jefferson County, Washington, is commonly known as Trails End Homesites Inc., Block 3, Lots 16 through 43, and Block 4, Lots 1 through 27; Trails End Homesites Sites Inc. 2nd Addition, Block 11, Lots 11 through 20, and Block 14, Lots 1 through 11; Trails End Homesites Inc. 4th Addition, Block 1, Lots 2 through 5, and Block 2, Lots 4 through 10, and is more particularly described as follows:

The parties agree that the exact legal description of the property may be attached hereto as an Exhibit over their signatures.

**2. DESCRIPTION OF EXTENSION**

The proposed extension will provide water service to the property described in paragraph 1 and shall consist of approximately 2900 lineal feet of water pipe and appurtenances. The proposed extension shall be installed in accordance with plans and specifications provided by Developer and accepted by the District and in accordance with the standards and conditions for construction of

extensions to the water systems adopted by District which are on file in the District Office, the terms and conditions of which are by this reference made a part hereof as though set forth in full herein. The extension is more fully described in the plans and specifications initialled by the parties attached hereto as Exhibit A and, by this reference, incorporated herein.

The plan and specifications, as approved by the District Engineer and accepted by the appropriate state and local agencies, shall be the sole standards used in determining the obligation of the Developer under this paragraph.

### 3. PAYMENT OF FEES

#### A. System Participation Fee

(1) The owner of each lot to be serviced by this extension shall pay BRIDGEHAVEN a System Participation Fee in the amount of THREE THOUSAND AND NO/100 DOLLARS (\$3,000.00) per water tap serviced by this extension. After December 31, 1993, BRIDGEHAVEN may elect to increase this fee.

(2) In addition to the foregoing, the owner of each lot to be serviced by this extension shall be required to pay BRIDGEHAVEN a charge to hook up to the water system. The amount of this charge shall be determined by the BRIDGEHAVEN Board of Directors. The current hook up fee is SIX HUNDRED AND NO/100 DOLLARS (\$600.00); after November 30, 1993 BRIDGEHAVEN may elect to increase this fee.

(3) The owner of each lot to be serviced by this extension shall pay BRIDGEHAVEN a Water Line Extension Cost per sixty (60) foot lot of \$2,000.00 per lot times the number of contiguous lots for which any single water hook up is requested. If this cost is paid prior to December 31, 1993, the per lot cost will be reduced to \$1,400.00 per lot.

(4) The owner of each lot receiving water service shall pay BRIDGEHAVEN a Water Usage Fee in an amount prescribed in Bridgehaven rules. The current Water Usage Fee is \$150.00 annually, paid in advance. After November 30, 1993, BRIDGEHAVEN may elect to increase this fee.

B. Construction, Inspection and As-Built Certification Fees. PM&L shall pay all of the costs/fees for inspection and certification of water line to be constructed under this agreement.

C. Developer Reimbursement. For each lot which a Water Line Extension Cost is paid by the lot owner(s) covered by this agreement to BRIDGEHAVEN, its successors or assigns, BRIDGEHAVEN agrees to reimburse PM&L for the Water Line Extension Cost at the rate of \$1,300.00 per lot if paid by the lot owner(s) prior to

December 31, 1993 and \$1,850.00 per lot if paid by the lot owner(s) after December 31, 1993. In no case shall the total of all such reimbursements exceed \$86,500.00 and in no case shall such reimbursements be applicable after December 31, 2001. Any applicable reimbursements shall occur at least once every calendar quarter.

D. Other. PM&L shall pay in full to the District all other fees, charges and costs, except deposits required in 6.A and 12.C, prior to "Final Acceptance". PM&L shall initially advance to BRIDGEHAVEN an amount of TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$2,500.00) to apply towards such fees, charges and costs.

#### 4. DESIGN

Design of the water system extension shall be accomplished by a professional engineer registered in the State of Washington. The design shall be in accordance with the Jefferson County Comprehensive Water Plan, prudent engineering practice, all applicable governmental regulations and laws, and approved by BRIDGEHAVEN. Preliminary engineering requirements include:

A. The Developer shall provide the description, location and elevation of all bench mark data available on the project site and this information, wherever possible, shall be indicated on the maps furnished by the Developer.

B. PM&L shall pay all engineering costs for all plans, specifications and approvals associated with this extension.

#### 5. EVIDENCE OF INSURANCE

Upon acceptance of this Agreement and prior to construction, Developer shall pay for and provide District with written evidence of insurance covering public liability and property damage to third parties, in which District shall be named insured, in an amount not less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00). Developer agrees to defend, indemnify and hold District harmless from any and all claims, demands, actions and liabilities of every kind and nature as may be made and/or entered against District by reason of, or arising out of the acts of Developer, its agents and/or Contractor, in the installation of this extension, including costs and attorney's fees incurred by District in investigating and defending against any such claim in the event of failure of Developer to so defend as herein required. This insurance requirement shall conclude one (1) year after BRIDGEHAVEN's acceptance of the system in accordance with the terms of this agreement, but not earlier than December 31, 1994.

#### 6. CASH DEPOSIT OR PERFORMANCE BOND

A. Developer shall ensure that Contractor shall provide the

District with a cash deposit or performance bond in the amount of TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00), or ten per cent (10%) of the cost of construction, whichever is greater, prior to beginning construction of said extension and no construction shall begin until said cash deposit or performance bond is furnished. This cash deposit or performance bond shall be conditioned upon the Contractor's strict compliance with the District's construction standards and shall insure the District against any incomplete or inadequate work or any damage to the existing system as a result of the Contractor's failure to comply. Developer shall provide District with a copy of Contractor's estimate of the cost of construction. Further, there must be compliance with all conditions set forth in Section 12 prior to any refunds by the District.

B. The cash deposit will be refunded to the Contractor upon satisfactory completion of the extension to the existing system as determined by the District. In the event of the Contractor's failure to so comply, the District may, after written notice, retain a percentage of the total amount of the cash deposit as liquidated damages.

#### 7. EASEMENTS

A. If applicable, the Developer, at its own expense shall provide easements in a form satisfactory to BRIDGEHAVEN and title insurance, in an amount approved by BRIDGEHAVEN, on said easements to guarantee BRIDGEHAVEN clear title.

B. The easement for pipelines and appurtenances shall be a fifteen (15) foot permanent easement and a twenty (20) foot construction, repair and maintenance easement upon, over, under and across the centerline of the pipelines and appurtenances.

C. In the event that this pipeline extension utilizes any portion of a platted county right-of-way, PM&L shall obtain, prior to starting construction, the required specifications and operating rights from the appropriate Jefferson County agencies.

#### 8. PERMITS

Developer shall provide or shall ensure that the Contractor provides all construction permits for the extension. BRIDGEHAVEN and PM&L shall both sign the necessary forms as required and provided by the State of Washington and the appropriate local agencies for extension of the water system.

#### 9. CONTRACTOR

The District has a substantial interest in determining that the extension is constructed in a good, workmanlike manner. Therefore, the Developer shall submit the name of the prime contractor,

who shall be licensed, registered and bonded in accordance with the laws of the State of Washington. The District reserves the right to approve or disapprove any such contractor, which approval the District will not unreasonably withhold. In determining whether said contractor is or is not satisfactory, the District may take into consideration said contractor's prior experience in said improvement, available manpower and equipment, financial ability, prior work performed by said contractor for or on behalf of the District and the recommendation of the District's Engineer. The name the contractor shall be submitted prior to the commencement of any construction hereunder.

#### 10. CONNECTION TO THE DISTRICT'S WATER SYSTEM

Not less than forty-eight (48) hours prior to the time that said extension is partially or fully completed and connection to District's water system is desired, written application for permission to make the connection to District's system at a specified time shall be made to District by Developer or his contractor. The President, or his designee, of the District may accept and approve a verbal request of the Contractor for this purpose. All connections to the existing system and all testing of the new line, as well as any subsequent opening of valves for use of water from the District system must be with the approval of and in the presence of the authorized representative of District. District reserves the right to require that some connections be made by live tap.

#### 11. CONDITIONS PRECEDENT

A. Compliance with all the terms and conditions of this Developer Extension Agreement shall be a condition precedent to the District's obligation to accept title to the extension and a bill of sale thereto and a condition precedent to District's agreement to maintain and operate the water system and to provide water service to the real property to be served thereby and, particularly, without limiting the generality of the aforesaid, District shall be under no obligation to allow connections to the water system in any portion of the real property described in the application if any fees or costs are due and owing to District arising from the agreement or from regulations, resolutions or ordinances of any governmental agency.

B. District shall not be obligated to provide water service to the property herein described if construction of facilities to be deeded to District have not been completed and title accepted by District for facilities necessary to provide water service to the real property to be served.

#### 12. ACCEPTANCE FOR USE AND OPERATION

A. Acceptance for use and operation shall be subject to

satisfactory completion of the following:

- (1) Pressure tests on all pipeline extensions; and
- (2) Sanitary testing and acceptance by the State of Washington and/or Jefferson County Health Department of water samples taken at representative points; and
- (3) Inspection and approval by the District or its representatives of the extension for use and operation in accordance with the construction standards.

B. PM&L agrees to convey and BRIDGEHAVEN agrees to accept title to the extension at such time as all work has been completed and the District has made a final inspection and given approval of the extension having been completed in accordance with the construction standards. Developer shall execute and deliver to the District a Bill of Sale in the form attached hereto as Exhibit B. Upon acceptance of title by the District, said extension shall be subject to the control, use and operation of the District and all regulations applicable to future service and charges therefor.

C. Such acceptance by the District shall not relieve the Developer of the obligations to correct defects in labor and/or materials. After acceptance of the extension by the District and the transferring of title to such extension as set forth above, the Developer shall ensure that the Contractor shall furnish, at his option, a cash deposit or maintenance bond which shall continue in force from the date of acceptance and transfer of title for a period of one (1) year. The bond shall be in a form acceptable to the District and shall require the Contractor and/or bonding company to correct defects in labor and material which arise in said system for a period of one (1) year from the date of acceptance and transfer of title. The maintenance bond shall be in an amount equal to ten per cent (10%) of cost of said extension or a minimum of TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00), whichever is greater.

The requirements of this section are in addition to the requirements set forth in 6.A and B. If a cash deposit is furnished to the District, any portion not used for repair of the system within one (1) year will be refunded to the Contractor. However, upon acceptance of the system by the District, the cash deposit or performance bond as identified in 6.A. may be used as the maintenance bond.

D. Limitation of Period for Acceptance. The extension described in paragraph 2 above, shall be completed and title transferred to and accepted by BRIDGEHAVEN not later than October 31, 1993. If the extension is not completed and title accepted by that date, then the Developer's rights under this agreement shall cease and no additional water services shall be connected to such

extension unless and until review and acceptance by the District. The Developer shall pay the additional administrative, legal, engineering and inspection costs as may be incurred by the District.

### 13. WATER LINE EXTENSION FEE

For a period of eight (8) years from the date of this agreement, BRIDGEHAVEN shall be reimbursed by any owner of any real estate who did not contribute to the original costs of such water line and who subsequently taps into or uses the same, in the amount of pro-rata share of the cost of construction of said water line as follows:

A. The amount of reimbursement for those connecting directly to said water line shall be made based upon the expense divided by the number of theoretical connections and extensions that can be made to the main line as set forth in paragraph 3 above.

B. The provisions of this agreement shall be effective as to any other owner of real estate not a party hereto, unless this contract has not been recorded in the office of the Jefferson County Auditor for the State of Washington prior to the time such owner taps into or connects to said water line.

C. No person, firm or corporation shall be granted a permit or authorized to tap into any such water line during the time set forth in this agreement without first paying BRIDGEHAVEN, in addition to any and all other costs and charges made or assessed for such tap or extension, the amounts set forth in paragraph A above. If any such tap or extension is made into the water line without such payment having been first made to BRIDGEHAVEN, BRIDGEHAVEN may remove, or cause to be removed, such unauthorized tap or extension and all connection pipe located in the system right-of-way, and dispose of unauthorized material so removed without any liability whatsoever.

### 14. MISCELLANEOUS

A. PM&L shall perform its obligations under this agreement as follows:

(1) Return this agreement together with a check in the amount of TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$2,500.00) on or before September 1, 1993. This \$2,500.00 shall not be refundable for any reason whatsoever and shall be retained by BRIDGEHAVEN as liquidated damages for PM&L's nonperformance hereunder. If this agreement is not returned prior to September 1, 1993, BRIDGEHAVEN shall have no obligation to allow DEVELOPER to construct the water line extension. Further, should BRIDGEHAVEN's costs associated with this agreement exceed \$2,500.00, PM&L agrees to reimburse BRIDGEHAVEN for such costs in excess of \$2,500.00; provided, however, that in no event shall said reimbursement exceed \$2,000.00 without the written consent of PM&L.

W. H. P. P.

(2) Complete all construction required by this agreement on or before October 31, 1993.

B. All documents of conveyance of PM&L to be serviced by this extension shall provide for the following:

(1) Payment of a hook-up fee and all other fees required by this agreement in the amount determined by BRIDGEHAVEN.

(2) Advising lot owners that the subject property is governed by the rules and regulations of the BRIDGEHAVEN water system, its successors or assigns.

(3) Restricting the use of water to only a single family domestic residential service (including service to a guest house which is physically attached and connected to the primary residence), specifically excluding any commercial or agricultural activity as defined by RCW 70.94.640(5)(c) as it now exists or may be amended. Such domestic residential service may be used to keep household pets, provided that they are not kept, bred or maintained for any commercial purpose. Water may also be used for a garden or to raise crops for personal consumption or for any other noncommercial purpose.

(4) The water hook-up is for one lot. The owner of the lot shall not have the right to assign that hook-up in the event that the owner elects to subdivide his property.

C. If PM&L fails to obtain the appropriate Contractor's deposits or bonds as required by paragraphs 6 and 12, PM&L shall be responsible for said amounts.

D. PM&L shall deposit a Bill of Sale to the water system described in paragraph 2, above, in escrow with Jefferson Title Insurance Company, to be delivered to BRIDGEHAVEN upon BRIDGEHAVEN's acceptance of the system.

E. BRIDGEHAVEN shall record an executed copy of this Agreement with the Jefferson County Auditor to insure PM&L compliance.

F. This agreement shall be binding upon the parties, their heirs, personal representatives, successors and assigns, and shall be governed by the laws of the State of Washington. Venue for any action hereunder shall be in Jefferson County, Washington. If any term or provision of this agreement is in whole or part held invalid or unenforceable by any Court of competent jurisdiction, the remainder of this agreement shall not be affected thereby, but shall continue in full force and effect.

G. In the event of disagreement over applicability of Water

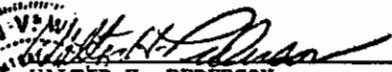
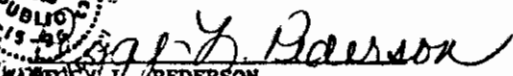
Line Extension Cost or reimbursement BRIDGEHAVEN interpretation shall prevail.

15. WARRANTY OF AUTHORITY

The undersigned Developer warrants that it is the owner of all the real property the subject matter of this agreement and agrees to provide documentation establishing to the satisfaction of District that the parties executing this application are owners of all such real property described and have the authority to execute this agreement with respect thereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement at Port Townsend, Jefferson County, Washington, the day and year first-above written.

Developer: PEDERSON MILLING AND LOGGING

  
WALTER H. PEDERSON  
  
PEGGY L. PEDERSON



District: BRIDGEHAVEN COMMUNITY CLUB ASSOCIATION, a Washington corporation

By:   
DAVID A. MATHIS, President

By:   
SUSAN G. KRIEGL, Secretary  
Alan L. Green

STATE OF WASHINGTON )  
COUNTY OF JEFFERSON ) ss.

I certify that I know or have satisfactory evidence that WALTER H. PEDERSON and PEGGY L. PEDERSON signed this instrument and acknowledged it to be their free and voluntary act and deed for the



uses and purposes mentioned in the instrument.

Dated: 8-27, 1993.

John Wilcoxon  
NOTARY PUBLIC in and for the State of  
Washington, residing at Port Ludlow.  
My commission expires 2-15-96.

STATE OF WASHINGTON )  
                                  ) ss.  
COUNTY OF Jefferson )

I certify that I know or have satisfactory evidence that DAVID A. MATHIS signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of BRIDGEHAVEN COMMUNITY CLUB ASSOCIATION, a Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: August 30, 1993



Joanne J. Fritz  
NOTARY PUBLIC in and for the State of  
Washington, residing at Port Townsend  
My commission expires 2-8-95

STATE OF WASHINGTON )  
                                  ) ss.  
COUNTY OF Jefferson )

AL AG  
Alan L. Green

I certify that I know or have satisfactory evidence that SUGAN S. KRIEGL signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Secretary of BRIDGEHAVEN COMMUNITY CLUB ASSOCIATION, a Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: August 30, 1993



Joanne J. Fritz  
NOTARY PUBLIC in and for the State of  
Washington, residing at Port Townsend  
My commission expires 2-8-95



**After Recording return to:**

JAMES H. MUNN  
P.O. Box 54  
Quilcene, WA 98376

**Notice to Homeowners:**

The Bridgehaven Community Club Association, a privately owned community water system (Washington State Department of Health ID Number #08330 N). The community water system is owned by the Bridgehaven Community Club Association, and also manages the system. The Association's Board of Directors, and elected officers are responsible for the management of the water.

The B.C.C.A.'s water system contact is:

Contact Name: David Mathis  
Address: 525 North Beach DR.  
Phone #: Port Ludlow, WA 98365  
(360) 437-2704

The Bridgehaven Community Water System is currently serving the following areas: See exhibit A

The State of Washington Provides some safeguards in addition to the regulatory review of the system's operation, periodic testing and transfer of ownership. Recent legislation RCW 43.70.195 provides the Washington State Department of Health the ability to appoint a third party (i.e. a receiver) to step in and provide management and operations for public water systems that are experiencing severe problems. The legislation has been used successfully to solve problems associated with poor, or absentee ownership, and inadequate operations.

While it is rare for a water system to experience severe problems, or fail, safeguards are available. Should the water service provider be unable to remedy the water service, or maintain problems affecting the potability, or water service, please contact the State Department of Health, or your local Health Authority. Note, financial remedies are generally unavailable from either source, so it is important to ensure your system is well managed, and maintained.



439373

Jefferson County, WA JAMES MURN

Page: 2 of 3  
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Exhibit A

Trail's End

Block 1, Lots 1 through 6; Block 2, Lots 1 through 10; Block 3, Lots 1 through 13 and Lots 16 through 43 and Block 4, Lots 1 through 27, of Trail's End Homesites, Inc., as per plat recorded in Volume 3 of Plats, page 30, records of Jefferson County, Washington.

Block 6, Lots 1 through 4; Block 7, Lots 1 through 23; Block 8, Lots 1 through 17; Block 9, Lots 2 through 7, Lot 9 and Lots 11 through 14, and Block 10, Lots 3 through 7, of First Addition to Trail's End Homesites, Inc., as per plat recorded in Volume 3 of Plats, page 32, records of Jefferson County, Washington.

Block 11, Lots 1 through 3; Block 12, Lots 1 through 22; Block 13, Lots 1 through 20, and Block 14, Lots 1 through 11, of Second Addition to Trail's End Homesites, Inc., as per plat recorded in Volume 4 of Plats, page 1, records of Jefferson County, Washington.

Block 6, Lots 5 through 10; Block 9, Lots 1, 15 and 16, and Block 10, Lots 1, 2, 8 and 9,

of Third Addition to Trail's End Homesites, Inc., as per plat recorded in Volume 4 of Plats, page 4, records of Jefferson County, Washington.

Block 1, Lots 1 through 5; Block 2, Lots 1 through 10 and Block 3, Lots 1 and 4, of Fourth Addition to Trail's End Homesites, Inc., as per plat recorded in Volume 4 of Plats, page 16, records of Jefferson County, Washington.

All situated in Jefferson County, State of Washington



439373

Page: 3 of 3  
12/07/2000 01:12P  
NOT 10.00

Jefferson County, WA JAMES MUNN

State of WASHINGTON  
County of JEFFERSON } ss

On 12-07-00 before me, JAMES H. MUNN  
personally appeared Paul C. Gott

personally known to me - OR -  proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

James H. Munn  
NOTARY SIGNATURE  
expires 9-02-02

**OPTIONAL INFORMATION**

The information below is not required by law. However, it could prevent fraudulent attachment of this acknowledgment to an unauthorized document.

**CAPACITY CLAIMED BY SIGNER (PRINCIPAL)**

- INDIVIDUAL
- CORPORATE OFFICER  
Treasurer  
(TITLE)
- PARTNER(S)
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER:  
Paul C. Gott

**DESCRIPTION OF ATTACHED DOCUMENT**

Notice to Homeowners  
TITLE OR TYPE OF DOCUMENT

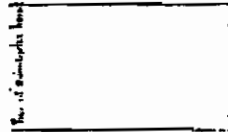
Three  
NUMBER OF PAGES

12-07-00  
DATE OF DOCUMENT

OTHER: \_\_\_\_\_

SIGNER IS REPRESENTING:  
Bridge Haven Community Club Association

RIGHT THUMBPRINT  
OF  
SIGNER



WHEN RECORDED MAIL TO:  
U.S. SMALL BUSINESS ADMINISTRATION  
P.O. Box 13795  
Sacramento, California 95833-4795

427870

815  
1659 PAGE 821  
OF OFFICIAL RECORDS  
First American Title

59 OCT 29 PM 3:27

DONNA H. ELDRIDGE  
JEFFERSON COUNTY AUDITOR

*Donna H. Eldridge*  
DEPUTY

PETERSEN, Lawrence Jerome  
# 3163-00136 Loan No. DLH 29052140-10

SPACE ABOVE THIS LINE FOR RECORDS USE  
First American Title  
F35599

**DEED OF TRUST**  
(Direct)

Reference #: N/A

Grantor/Borrower(s):

1. PETERSEN, Lawrence Jerome

Additional on page(s): N/A

Grantee/Assignee/Beneficiary: U.S. Small Business Administration

Additional on page(s): N/A

Legal Description (abbreviated): Lot 4, Blk 3, TRAIL'S END HOMESITES, Vol. 3, pg 30,  
Jefferson County, WA

Additional on page(s): 7

Assessor's Tax Parcel ID#: 950-100-303

This Deed of Trust, made this 6th day of October 1999, by and between Lawrence Jerome Petersen, aka Lawrence J. Kaforski, 29459 Beach Drive Northeast, Poulsbo, Washington 98370 hereinafter referred to as "Grantor", U.S. Small Business Administration whose address is 200 West Santa Ana Boulevard #180, Santa Ana, California, 92701 hereinafter referred to as "Trustee", and the Administrator of the Small Business Administration, an agency of the Government of the United States of America, hereinafter referred to as "Beneficiary", who maintains an office and place of business at 200 West Santa Ana Boulevard #180, Santa Ana, California, 92701.

WITNESSETH, that for and in consideration of \$1.00 and other good and valuable consideration, receipt of which is hereby acknowledged, the Grantor does hereby bargain, sell, grant, assign, and convey unto the Trustee, his successors and assigns, all of the following described property situated and being in the County of Jefferson, State of Washington which property is not used principally for agricultural purposes.

Described in Exhibit "A" attached hereto and made a part hereof.

Together with and including all buildings, all fixtures, including but not limited to all plumbing, heating,

lighting, ventilating, refrigerating, incinerating, air conditioning apparatus, and elevators (the Trustor hereby declaring that it is intended that the items herein enumerated shall be deemed to have been permanently installed as part of the realty), and all improvements now or hereafter existing thereon; the hereditaments and appurtenances and all other rights thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, and the rents, issues, and profits of the above described property. To have and to hold the same unto the Trustee, and the successors in interest of the Trustee, forever, in fee simple or such other estate, if any, as is stated herein in trust, to secure the payment of a promissory note dated April 22, 1999 in the principal sum of \$78,300.00 and maturing on April 22, 2029, signed by Lawrence Jerome Petersen, aka Larry J. Kaforski. The beneficial owner and holder of said note and of the indebtedness evidenced thereby is the Beneficiary

1. This conveyance is made upon and subject to the further trust that the said Grantor shall remain in quiet and peaceable possession of the above granted and described premises and take the profits thereof to his own use until default be made in any payment of an installment due on said note or in the performance of any of the covenants or conditions contained therein or in this Deed of Trust; and, also to secure the reimbursement of the Beneficiary or any other holder of said note, the Trustee or any substitute trustee of any and all costs and expenses incurred, including reasonable attorneys' fees, on account of any litigation which may arise with respect to this Trust or with respect to the indebtedness evidenced by said note, the protection and maintenance of the property hereinabove described or in obtaining possession of said property after any sale which may be made as hereinafter provided.

2. Upon the full payment of the indebtedness evidenced by said note and the interest thereon, the payment of all other sums herein provided for, the repayment of all monies advanced or expended pursuant to said note or this instrument, and upon the payment of all other proper costs, charges, commissions, and expenses, the above described property shall be released and reconveyed to and at the cost of the Grantor.

3. Upon default in any of the covenants or conditions of this instrument or of the note or loan agreement secured hereby, the Beneficiary or his assigns may without notice and without regard to the adequacy of security for the indebtedness secured, either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by the court, enter upon and take possession of said property or any part thereof, and do any acts which Beneficiary deems proper to protect the security hereof, and either with or without taking possession of said property, collect and receive the rents, royalties, issues, and profits thereof, including rents accrued and unpaid, and apply the same, less costs of operation and collection, upon the indebtedness secured by this Deed of Trust, said rents, royalties, issues, and profits, being hereby assigned to Beneficiary as further security for the payment of such indebtedness. Exercise of rights under this paragraph shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice but shall be cumulative to any right and remedy to declare a default and to cause notice of default to be recorded as hereinafter provided, and cumulative to any other right and/or remedy hereunder, or provided by law, and may be exercised concurrently or independently. Expenses incurred by Beneficiary hereunder including reasonable attorneys' fees shall be secured hereby.

4. The Grantor covenants and agrees that if he shall fail to pay said indebtedness, or any part thereof, when due, or shall fail to perform any covenant or agreement of this instrument or of the promissory note secured hereby, the entire indebtedness hereby secured shall immediately become due, payable, and collectible without notice, at the option of the Beneficiary or assigns, regardless of maturity,

PETERSEN, Lawrence Jerome  
3163-00136 / DLH 29032140-10

and the Beneficiary or assigns may enter upon said property and collect the rents and profits thereof. Upon such default in payment or performance, and before or after such entry, the Trustee, acting in the execution of this Trust, shall have the power to sell said property, and it shall be the Trustee's duty to sell said property (and in case of any default of any purchaser, to resell) at public auction, to the highest bidder, first giving four weeks' notice of the time, terms, and place of such sale, by advertisement not less than once during each of said four weeks in a newspaper published or distributed in the county or political subdivision in which said property is situated, all other notice being hereby waived by the Grantor (and the Beneficiary or any person on behalf of the Beneficiary may bid and purchase at such sale). Such sale will be held at a suitable place to be selected by the Beneficiary within said county or political subdivision. The Trustee is hereby authorized to execute and deliver to the purchaser at such sale a sufficient conveyance of said property, which conveyance shall contain recitals as to the happening of a default upon which the execution of the power of sale herein granted depends; and the said Grantor hereby constitutes and appoints the Trustee as his agent and attorney in fact to make such recitals and to execute said conveyance and hereby covenants and agrees that the recitals so made shall be binding and conclusive upon the Grantor, and said conveyance shall be effectual to bar all equity or right of redemption, homestead, dower, right of appraisal, and all other rights and exemptions of the Grantor, all of which are hereby expressly waived and conveyed to the Trustee. In the event of a sale as hereinabove provided, the Grantor, or any person in possession under the Grantor, shall then become and be tenants holding over and shall forthwith deliver possession to the purchaser at such sale or be summarily dispossessed, in accordance with the provisions of law applicable to tenants holding over. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, and are granted as cumulative to all other remedies for the collection of said indebtedness. The Beneficiary or Assigns may take any other appropriate action pursuant to state or Federal statute either in state or Federal court or otherwise for the disposition of the property.

5. In the event of a sale as provided in paragraph 4, the Trustee shall be paid a fee by the Beneficiary in an amount not in excess of \_\_\_\_\_ percent of the gross amount of said sale or sales, provided, however, that the amount of such fee shall be reasonable and shall be approved by the Beneficiary as to reasonableness. Said fee shall be in addition to the costs and expenses incurred by the Trustee in conducting such sale. The amount of such costs and expenses shall be deducted and paid from the sale's proceeds. It is further agreed that if said property shall be advertised for sale as herein provided and not sold, the Trustee shall be entitled to a reasonable fee, in an amount acceptable to the Beneficiary for the services so rendered. The Trustee shall also be reimbursed by the Beneficiary for all costs and expenses incurred in connection with the advertising of said property for sale if the sale is not consummated.

6. The proceeds of any sale of said property in accordance with paragraph 4 shall be applied first to payment of fees, costs, and expenses of said sale, the expenses incurred by the Beneficiary for the purpose of protecting or maintaining said property and reasonable attorneys' fees; secondly, to payment of the indebtedness secured hereby; and thirdly, to pay any surplus or excess to the person or persons legally entitled thereto.

7. In the event said property is sold pursuant to the authorization contained in this instrument or at a judicial foreclosure sale and the proceeds are not sufficient to pay the total indebtedness secured by this instrument and evidenced by said promissory note, the Beneficiary will be entitled to a deficiency judgment for the amount of the deficiency without regard to appraisal, the Grantor having waived and assigned all rights of appraisal to the Trustee.

8. The Grantor covenants and agrees as follows:

a. He will promptly pay the indebtedness evidenced by said promissory note at the times and in the manner therein provided.

b. He will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions, for which provision has not been made hereinbefore, and will promptly deliver the official receipts therefor to the Beneficiary.

c. He will pay such expenses and fees as may be incurred in the protection and maintenance of said property, including the fees of any attorney employed by the Beneficiary for the collection of any or all of the indebtedness hereby secured, or such expenses and fees as may be incurred in any foreclosure sale by the Trustee, or court proceedings or in any other litigation or proceeding affecting said property, and attorneys' fees reasonably incurred in any other way.

d. The rights created by this conveyance shall remain in full force and effect during any postponement or extension of the time of the payment of the indebtedness evidenced by said note or any part thereof secured hereby.

e. He will continuously maintain hazard insurance of such type or types and in such amounts as the Beneficiary may from time to time require, on the improvements now or hereafter on said property, and will pay promptly when due any premiums therefor. All insurance shall be carried in companies acceptable to Beneficiary and the policies and renewals thereof shall be held by Beneficiary and have attached thereto loss payable clauses in favor of and in form acceptable to the Beneficiary. In the event of loss, Grantor will give immediate notice in writing to Beneficiary and Beneficiary may make proof of loss if not made promptly by Grantor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Beneficiary instead of to Grantor and Beneficiary jointly, and the insurance proceeds, or any part thereof, may be applied by Beneficiary at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In the event of a Trustee's sale or other transfer of title to said property in extinguishment of the indebtedness secured hereby, all right, title, and interest of the Grantor in and to any insurance policies then in force shall pass at the option of the Beneficiary to the purchaser or Beneficiary.

f. He will keep the said premises in as good order and condition as they are now and will not commit or permit any waste thereof, reasonable wear and tear excepted, and in the event of the failure of the Grantor to keep the buildings on said premises and those to be erected on said premises, or improvements thereon, in good repair, the Beneficiary may make such repairs as in the Beneficiary's discretion it may deem necessary for the proper preservation thereof, and any sums paid for such repairs shall bear interest from date of payment at the rate specified in the note, shall be due and payable on demand and shall be fully secured by this Deed of Trust.

g. He will not without the prior written consent of the Beneficiary voluntarily create or permit to be created against the property subject to this Deed of Trust any lien or liens inferior or superior to the lien of this Deed of Trust and further that he will keep and maintain the same free from the claim of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on said premises.

PETERSEN, Lawrence Jerome  
3163-00136 / DLH 29032140-10

h. He will not rent or assign any part of the rent of said property or demolish, remove, or substantially alter any building without the written consent of the Beneficiary.

9. In the event the Grantor fails to pay any Federal, state, or local tax assessment, income tax or other tax lien, charge, fee, or other expense charged to the property hereinabove described, the Beneficiary is hereby authorized to pay the same and any sum so paid by the Beneficiary shall be added to and become a part of the principal amount of the indebtedness evidenced by said promissory note. If the Grantor shall pay and discharge the indebtedness evidenced by said promissory note, and shall pay such sums and shall discharge all taxes and liens and the costs, fees, and expenses of making, enforcing, and executing this Deed of Trust, then this Deed of Trust shall be canceled and surrendered.

10. The Grantor covenants that he is lawfully seized and possessed of and has the right to sell and convey said property; that the same is free from all encumbrances except as hereinabove recited; and that he hereby binds himself and his successors in interest to warrant and defend the title aforesaid thereto and every part thereof against the lawful claims of all persons whomsoever.

11. For better security of the indebtedness hereby secured, the Grantor, upon the request of the Beneficiary, its successors or assigns, shall execute and deliver a supplemental mortgage or mortgages covering any additions, improvements, or betterments made to the property hereinabove described and all property acquired after the date hereof (all in form satisfactory to Grantee). Furthermore, should Grantor fail to cure any default in the payment of a prior or inferior encumbrance on the property described by this instrument, Grantor hereby agrees to permit Beneficiary to cure such default, but Beneficiary is not obligated to do so; and such advances shall become part of the indebtedness secured by this instrument, subject to the same terms and conditions.

12. That all awards of damages in connection with any condemnation for public use of or injury to any of said property are hereby assigned and shall be paid to Beneficiary, who may apply the same to payment of the installments last due under said note, and the Beneficiary is hereby authorized, in the name of the Grantor, to execute and deliver valid acquittances thereof and to appeal from any such award.

13. The irrevocable right to appoint a substitute trustee or trustees is hereby expressly granted to the Beneficiary, his successors or assigns, to be exercised at any time hereafter without notice and without specifying any reason therefor, by filing for record in the office where this instrument is recorded an instrument of appointment. The Grantor and the Trustee herein named or that may hereinafter be substituted hereunder expressly waive notice of the exercise of this right as well as any requirement or application to any court for the removal, appointment or substitution of any trustee hereunder.

14. Notice of the exercise of any option granted herein to the Beneficiary or to the holder of the note secured hereby is not required to be given the Grantor, the Grantor having hereby waived such notice.

15. If more than one person joins in the execution of this instrument as Grantor or if anyone so joined be of the feminine sex, the pronouns and relative words used herein shall be read as if written in the plural or feminine, respectively, and the term "Beneficiary" shall include any payee of the indebtedness hereby secured or any assignee or transferee thereof whether by operation of law or otherwise. The covenants herein contained shall bind and the rights herein granted or conveyed shall inure to the respective heirs, executors, administrators, successors, and assigns of the parties hereto.

16. In compliance with section 101.106 of the Rules and Regulations of the Small Business Administration (13 C.F.R. 101.106), this instrument is to be construed and enforced in accordance with applicable Federal law.

17. A judicial decree, order, or judgment holding any provision or portion of this instrument invalid or unenforceable shall not in any way impair or preclude the enforcement of the remaining provisions or portions of this instrument.

IN WITNESS WHEREOF, the Grantor has executed this instrument and the Trustee and Beneficiary have accepted the delivery of this instrument as of the day and year aforesaid.

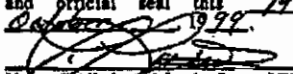
  
Lawrence Jerome Petersen

STATE OF WASHINGTON )  
COUNTY OF Jefferson ) ss.

On this day there personally appeared before me  
Lawrence Jerome Petersen

to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the purposes and uses therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 19<sup>th</sup> day of October 1999.

  
Notary Public in and for the State of WASHINGTON  
residing at Seabrook Island  
My commission expires 4-3-03



Name: PETERSEN, Lawrence Jerome

Control No. / Loan No: 3153-00138 / O/LH 28032140-10

EXHIBIT "A"

Lot 4, Block 3, TRAIL'S END HOMESITES, according to the plat recorded in Volume 3 of Plats, page 30, records of Jefferson County, Washington.

A.P.N.: 850-100-303

More commonly known as: 21 Dickey Street, Port Ludlow, Washington, 98365

Mail Any Notice of Default To:  
U.S. SMALL Business Adm.  
200 West Santa Blvd. #180  
Santa Ana, Ca. 92701

428344

Y0: 10/1 PAGE 2/2  
OF OFFICIAL RECORDS  
REQUEST OF  
U.S. Small  
BUS. ADMIN  
NOV - 1 PM 2:34  
DONNA F. ELLIOTT  
JEFFERSON COUNTY AUDITOR  
DEPUTY

**Return Address**  
U.S. Small Business Administration  
Disaster Assistance - Area 4  
P.O. Box 13795  
Sacramento, California 95853-4795

Please print legibly or type information

**Document Title(s) (Or transactions contained therein):**  
1. NOTICE OF DISQUALIFICATION FOR FUTURE FEDERAL DISASTER LOAN ASSISTANCE  
2.  
3.

**Grantor(s) (Last name first, then first name and initials):**  
1. PETERSEN, Lawrence Jerome  
2.  
3.  
4.  
5.  Additional Names on Page N/A of Document.

**Grantee(s) (Last name first, then first name and initials):**  
1. U.S. SMALL BUSINESS ADMINISTRATION  
2.  
3.  
4.  
5.  Additional Names on Page N/A of Document.

**Legal Description (Abbreviated: i.e., lot, block, plat, or section, township, range):**  
Lot 4, Blk 3, TRAIL'S END HOMESITES, Vol. 3, pg 30, Jefferson County, WA  
  
Legal Description is on Page 1 of Document.

**Reference Number(s) (Of documents assigned or released):**  
N/A  
 Additional Reference Numbers on Page N/A of Document.

**Assessor's Property Tax Parcel/Account Number**  
950-100-303

The Auditor/Recorder will rely on the information provided on this cover sheet. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

NOV 1 1999

VOL 661 PAGE 260

WHEN RECORDED MAIL TO:  
U.S. SMALL BUSINESS ADMINISTRATION  
P.O. Box 13795  
Sacramento, California 95833-4795

SPACE ABOVE THIS LINE FOR RECORDER'S USE

PETERSEN, Lawrence Jerome  
# 3163-00136 Loan No. DLH 29032140-10

**NOTICE OF DISQUALIFICATION FOR FUTURE  
FEDERAL DISASTER LOAN ASSISTANCE**

I/We the undersigned, hereby covenant that:

I/We am/are the owner of real property in the County of Jefferson, State of Washington, which is more fully described as follows:

Lot 4, Block 3, TRAIL'S END HOMESITES, according to the plat recorded in Volume 3 of Plats, page 30, records of Jefferson County, Washington.

A.P.N.: 950-100-303  
Commonly known as: 21 Dickey Street, Port Ludlow, Washington, 98365

The U.S. Small Business Administration (hereinafter called "SBA") has approved a disaster loan (SBA Loan No. DLH 29032140-10) to the undersigned subject to recordation of notice that the above described disaster damaged property is ineligible for any future disaster loan assistance caused by any type of disaster.

It is also the policy of SBA to record this **NOTICE OF DISQUALIFICATION** in order to put future transferees or mortgagees of the above-described property on notice as to the disqualification of the damaged property.

This Notice of Disqualification runs with the land and shall remain in effect until terminated by recording an instrument issued by the U.S. Small Business Administration.

See Attached for Notary Acknowledgement(s) and Signature(s)

VOL 661 261

PETERSEN, Lawrence Jerome  
3163-00136 / DLH 29032140-10

Executed the 19 day of October, 1999

Lawrence Jerome Petersen  
Lawrence Jerome Petersen

STATE OF WASHINGTON )  
COUNTY OF Jefferson )

On this day there personally appeared before me

Lawrence Jerome Petersen

to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the purposes and uses therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 19 day of

October, 1999  
Tina L. Lucero  
Notary Public in and for the State of WASHINGTON  
residing at Sanabell Island  
My commission expires: 1-18-03



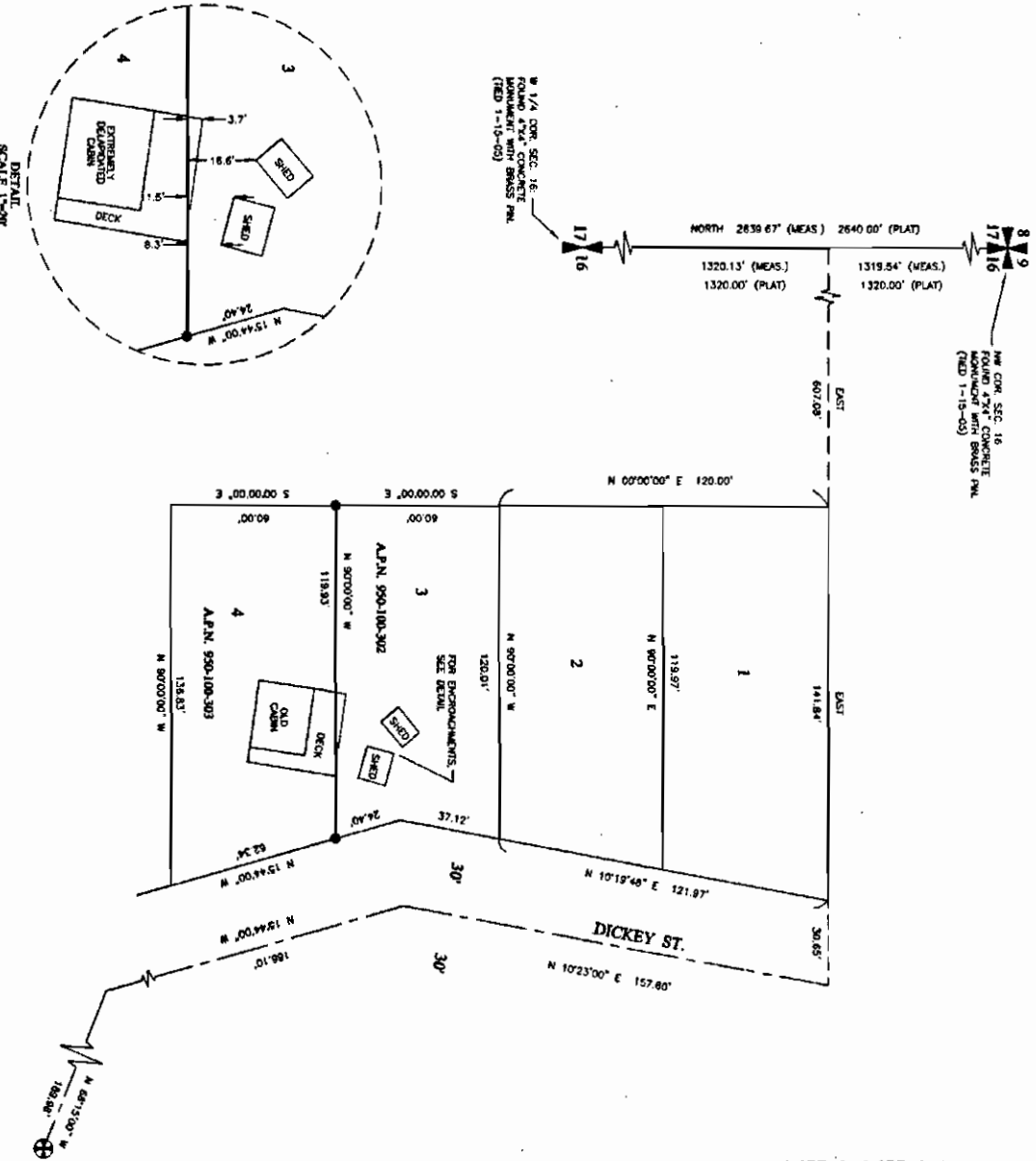
A SURVEY OF LOTS 3 & 4, BLOCK 3, OF TRAIL'S END HOMESITES, INC., SITUATE IN THE NW 1/4, SEC. 16, TWP. 27 N., R. 1 E., W.M., JEFFERSON COUNTY, WASHINGTON



PROPERTY DESCRIPTION  
 ASSessor's PARCEL NO. 950-100-302;  
 LOT 3 OF BLOCK 3 OF TRAIL'S END HOMESITES, INC. AS PER PLAN RECORDED IN VOLUME 3 PLANS, PAGE 50, RECORDS OF JEFFERSON COUNTY, WASHINGTON.  
 ASSessor's PARCEL NO. 950-100-303;  
 LOT 4 OF BLOCK 3 OF TRAIL'S END HOMESITES, INC. AS PER PLAN RECORDED IN VOLUME 3 PLANS, PAGE 50, RECORDS OF JEFFERSON COUNTY, WASHINGTON.

SURVEYOR'S NOTES:

THIS SURVEY WAS PERFORMED USING A TRIMBLE 5600 GPS RECEIVER AND A TRIMBLE SCAFFOLD E.O.M. INSTRUMENT. THE SURVEY WAS PERFORMED ON A CLOSED BOUNDARY. THE SURVEYOR HAS VERIFIED THE ACCURACY OF THE SURVEY BY MEANS OF A CONTROL POINT. THE SURVEYOR HAS VERIFIED THE ACCURACY OF THE SURVEY BY MEANS OF A CONTROL POINT. THE SURVEYOR HAS VERIFIED THE ACCURACY OF THE SURVEY BY MEANS OF A CONTROL POINT.



10/2/06

DETAIL SCALE 1"=40'

ADDITIONAL FILE NO. 510130

REFERENCE SURVEY:  
 VOL. 2, PLANS, P. 20, TRAIL'S END HOMESITES, INC.  
 VOL. 26, SURVEYS, P. 11, T. BREWER

INDEX GRAPH

		*		

S.16. T27N. R.1E. W.M.

- LEGEND
- SET 1/2" REBAR & CAP WITH "BRENERS 32791" IMPRINTED. SET 1"x2" 1/4" WHITE BRASS POST ALONGSIDE.
  - PROPERTY LINE SURVEYED
  - ⊕ TOWN ROD WITH PUNCH (11-23-03)

SURVEYOR'S CERTIFICATE

THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE REQUIREMENTS OF THE SURVEY RECORDING ACT AT THE REQUEST OF...

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of my office this 10th day of October, 2006.

Eric H. Brewer  
 PLANS & ENGINEERING CERTIFICATE NO. 30791

ADDITIONAL CERTIFICATE

FIELD FOR RECORD THIS 3rd day of October, 2006 at 2:51 P.M. IN BOOK 31 of Surveys at Page 50 at the request of TRAIL'S END HOMESITES, INC.

Dominic Chantry Deputy  
 COUNTY CLERK

THIS SURVEY WAS PERFORMED IN JEFFERSON COUNTY, WASHINGTON FOR:

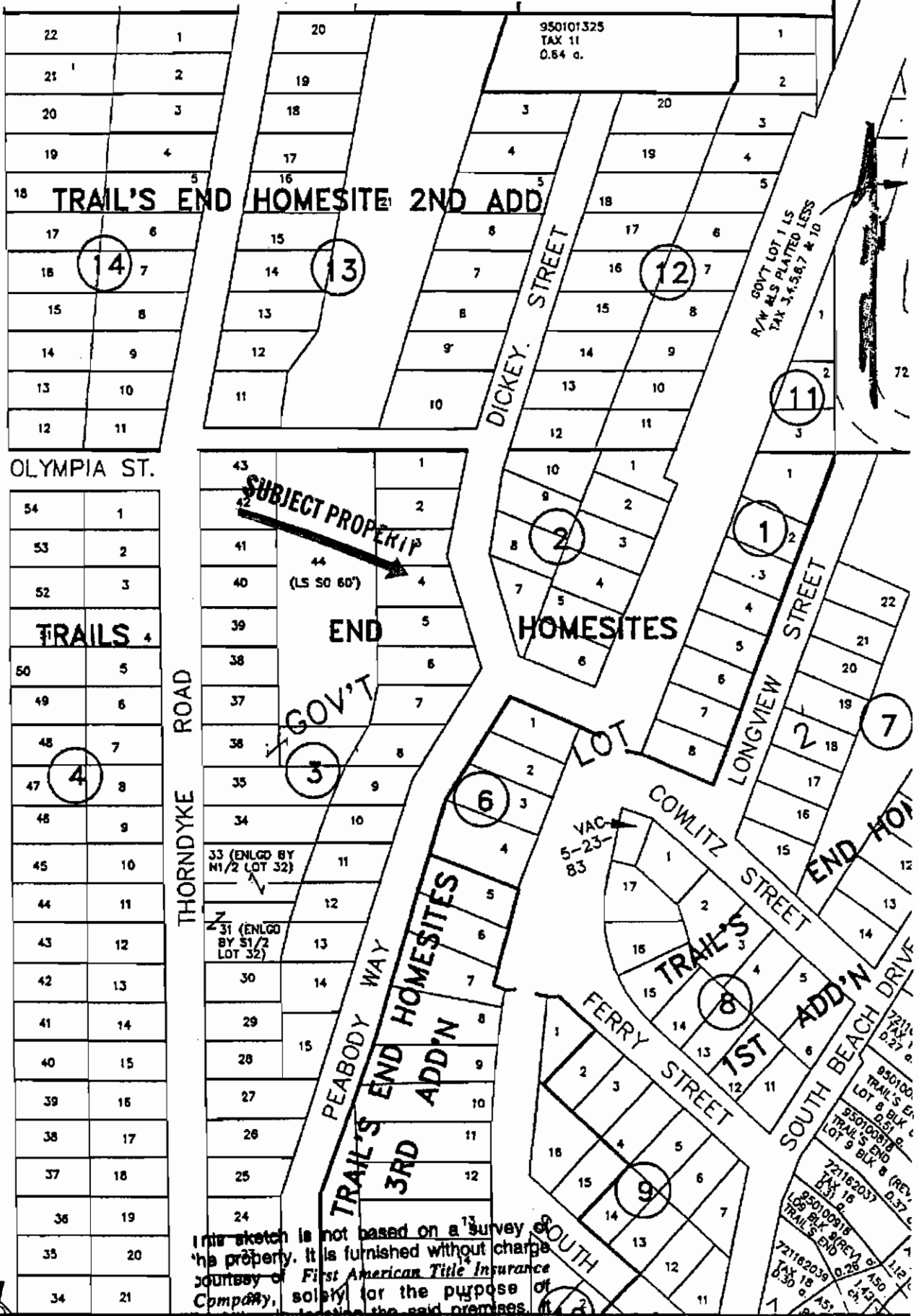
DOLORES WRIGHT



AMERICAN LAND SCIENCE, INC.  
 PROFESSIONAL LAND SURVEYING  
 POB 547  
 6396 STATE ROUTE 19  
 CHIMACUM, WA, 98325  
 TEL: (360) 732-0311



(NE 1/4 17 - 27N - 1E)



This sketch is not based on a survey of the property. It is furnished without charge courtesy of First American Title Insurance Company, solely for the purpose of assisting in locating the said premises. It does not purport to show all roads or easements. The company assumes no liability for any inaccuracies therein.

(SW 1/4 16 - 27N - 1E)