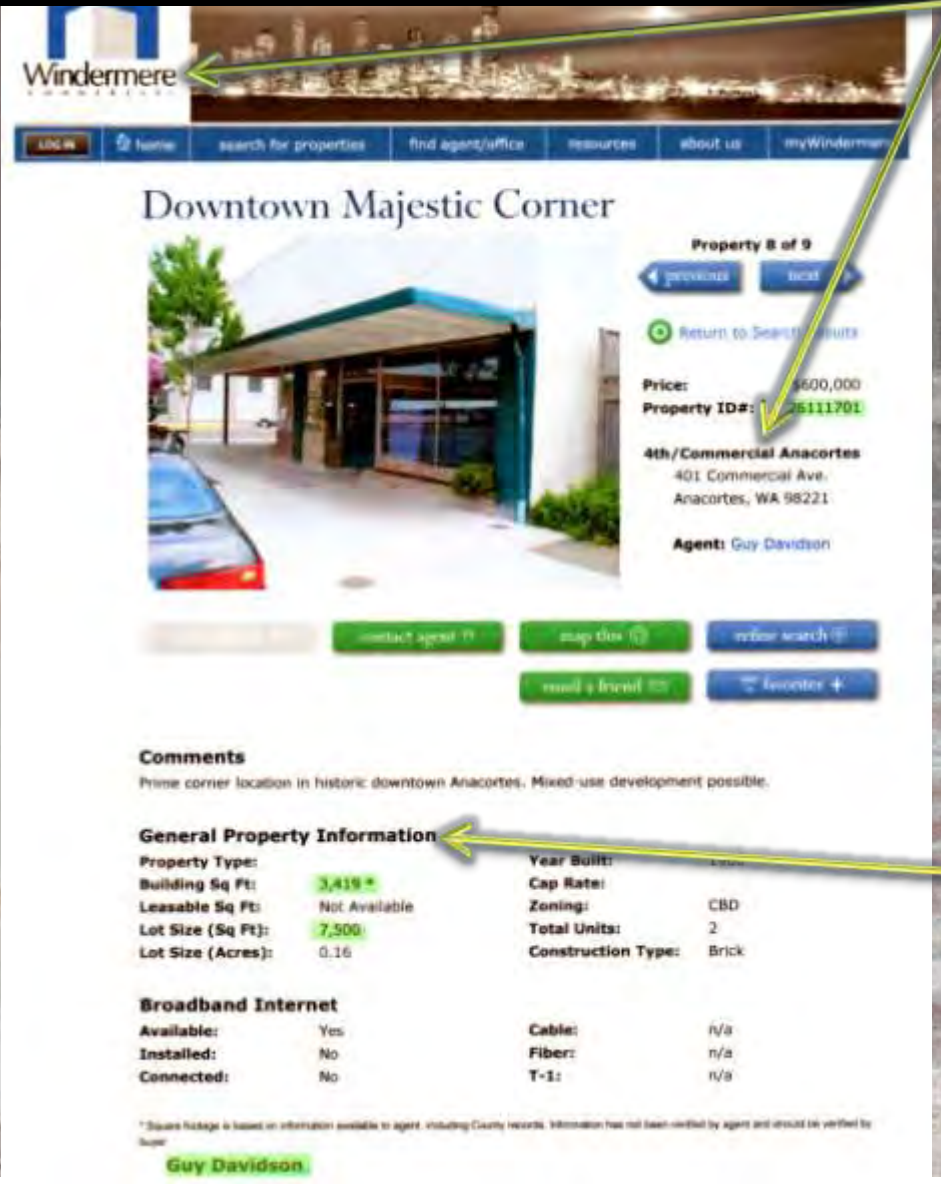
I purchased 401 Commercial with a dream…

Finance an amazing architectural project
saving one more original 1900's
building from destruction

Use space bar or forward arrow to advance to the next slide when ready

DREAM SHATTERED: WHAT WENT WRONG?

I Made an Offer for the Listing Posted on the Building and WindermereCommercial.com



I contacted Windermere Agents Law/Craig – the agents that directed me to this online listing and brought me to tour the property.

I Received My Commitment for Title Insurance from Chicago Title
and as Recommended in SCHEDULE C of the Commitment,
I Compared it to Skagit County Public Records for the named tax parcel: 55013

SCHEDULE C

The following are the requirements to be complied with:

1. Instruments necessary to create the estate or interest or mortgage to be insured must be properly executed, delivered, and duly filed for record.

2. The legal description in this commitment is based on information provided with the application and the public records as defined in the policy to issue. The parties to the forthcoming transaction must notify the title insurance company prior to closing if the description does not conform to their expectations.

Chicago Title's representation of the Legal Description they bindingly committed to convey to me:

2. According to the County Assessors Rolls the property address is:

401 COMMERCIAL AVENUE
Anacortes WA 98221

If an abbreviated legal description is required, it can read as follows:

Lot 7 and Ptn. Lots 8, 9 and 10, Blk. 23, MAP OF THE CITY OF ANACORTES

EXHIBIT "A"

Lots 7, 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof, recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington;

EXCEPT the South 50 feet of Lots 8, 9 and 10.

Situated in Skagit County, Washington.

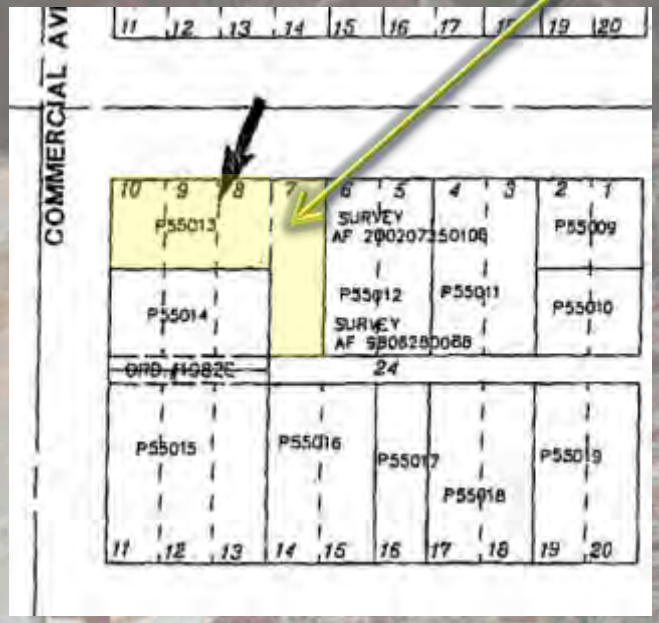
County Legal Description on Record

Legal Description | Abbreviation Definitions

ANACORTES ALL LT 7 & N 50FT LTS 8 TO 10 BLK 24

Next I Commissioned a Survey Based on the Commitment for Title Insurance & Skagit County Public Records for Tax Parcel 55013

Chicago Title's Commitment for Title Insurance



2. According to the County Assessors Rolls the property address is:

401 COMMERCIAL AVENUE
Anacortes WA 98221

3. If an abbreviated legal description is required, it can read as follows:

Lot 7 and Ptn. Lots 8, 9 and 10, Blk. 23, MAP OF THE CITY OF ANACORTES

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EXCEPT the South 50 feet of Lots 8, 9 and 10.

Situated in Skagit County, Washington.

County Legal Description on Record

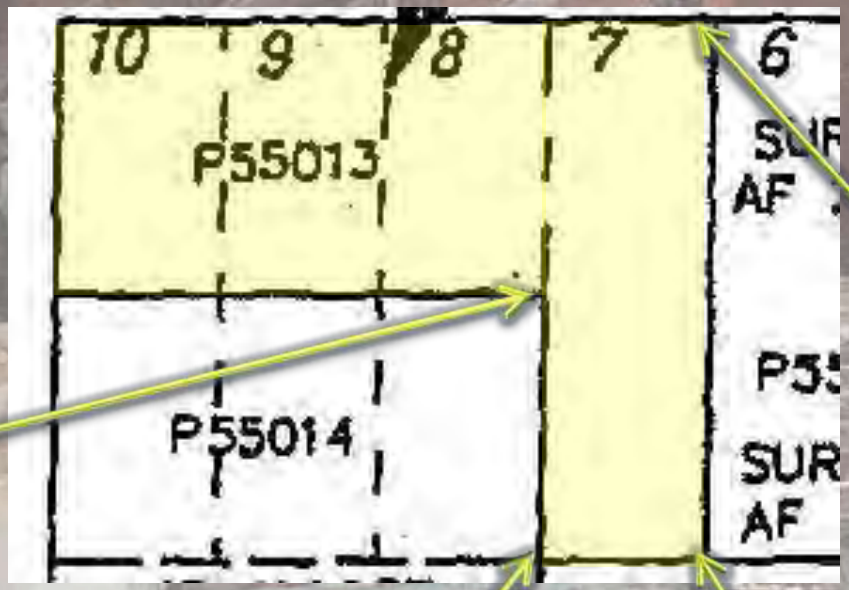
Legal Description Abbreviation Definitions

ANACORTES ALL LT 7 & N 50FT LTS 8 TO 10 BLK 24

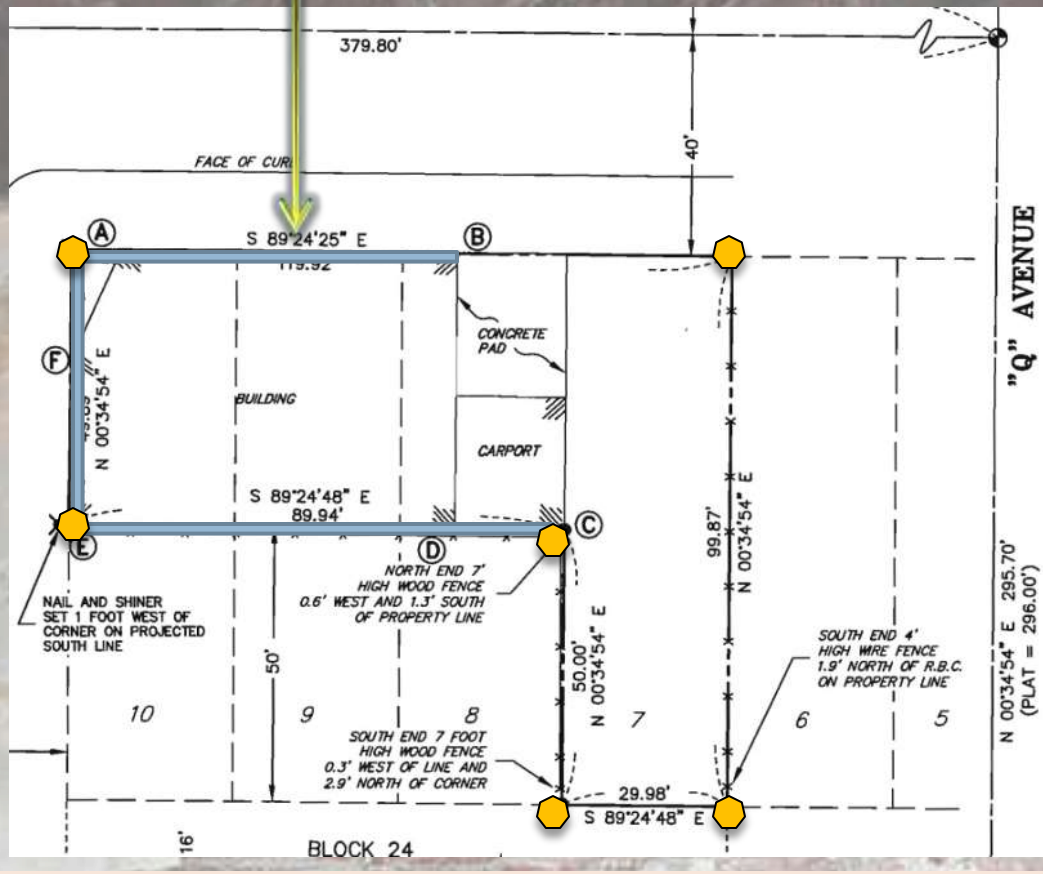
AUGUST 8TH 2008

RESEARCHING & PURCHASING 401 COMMERCIAL

My Surveyor Placed Very Obvious Stakes Defining the Advertised Tax Parcel that I Intended to Purchase



I Received the Survey which Identified an Encroachment of .12 to .10 inches onto the Seller's and City's Property. I Planned an Extensive Remodel and was Worried that the City or The Majestic Might Require Me to Fix the ENCROACHMENT which could only be Achieved by Demolishing the Building.



NOTES

1. ● – INDICATES IRON REBAR SET WITH YELLOW CAP – SURVEY NUMBER SEMRAU 28626
   ⊗ – INDICATES NAIL AND SHINER SET IN LEAD – SURVEY NUMBER SEMRAU 28626
   ○ – INDICATES EXISTING REBAR OR IRON PIPE FOUND.
   ◔ – INDICATES CONCRETE MONUMENT IN CASE.

2. THE DESCRIPTION FOR THIS SURVEY IS FROM COMMITMENT FOR TITLE INSURANCE BY CHICAGO TITLE COMPANY–ISLAND DIVISION, ORDER NO. IC46168, DATED JUNE 30, 2008. SAID TITLE REPORT INDICATES THAT THIS PROPERTY IS SUBJECT TO AN EASEMENT RECORDED AS SKAGIT COUNTY AUDITOR'S FILE NO 8511140044, WHICH IS THE SAME DOCUMENT THAT VACATED A PORTION OF THE ALLEY IN BLOCK 24. SAID TITLE REPORT ALSO INDICATES THAT THE PROPERTY IS SUBJECT TO AN AGREEMENT BETWEEN TCI CABLEVISION AND THE MAJESTIC HOTEL RECORDED AS AUDITOR'S FILE NO. 9905100042.

3. BASIS OF BEARING: EXISTING MONUMENTS AT THE INTERSECTION OF 4TH STREET AND "Q" AVENUE AND 4TH STREET AND "O" AVENUE, BEARING = NORTH 89°24'25" EAST.

4. ALL DISTANCES ARE SHOWN IN FEET.

5. INSTRUMENTATION: LEICA TCA 1105 THEODOLITE DISTANCE METER.

6. SURVEY PROCEDURE: STANDARD FIELD TRAVERSE.

7. THIS SURVEY WAS REQUESTED BY NELS STRANDBERG.

8. THIS SURVEY MAY SHOW OCCUPATIONAL INDICATORS AS PER W.A.C. CHAPTER 332.130. LINES OF OCCUPATION MAY INDICATE AREAS FOR POTENTIAL CLAIMS OF UNWRITTEN OWNERSHIP. THIS BOUNDARY SURVEY HAS ONLY SHOWN THE RELATIONSHIP OF LINES OF OCCUPATION TO THE DEEDED LINES OF RECORD. NO RESOLUTION OF OWNERSHIP BASED ON UNWRITTEN RIGHTS HAS BEEN MADE OR IMPLIED BY THIS SURVEY.

9. EXCEPT AS SPECIFICALLY STATED OR SHOWN ON THIS SURVEY MAP, THIS SURVEY DOES NOT PURPORT TO REFLECT ALL OF THE FOLLOWING WHICH MAY BE APPLICABLE TO THE SUBJECT REAL ESTATE: EASEMENTS, BUILDING SETBACKS LINES, RESTRICTIVE COVENANTS, SUBDIVISION RESTRICTIONS, ZONING OR OTHER LAND–USE REGULATIONS AND ANY OTHER FACTS.

DESCRIPTION

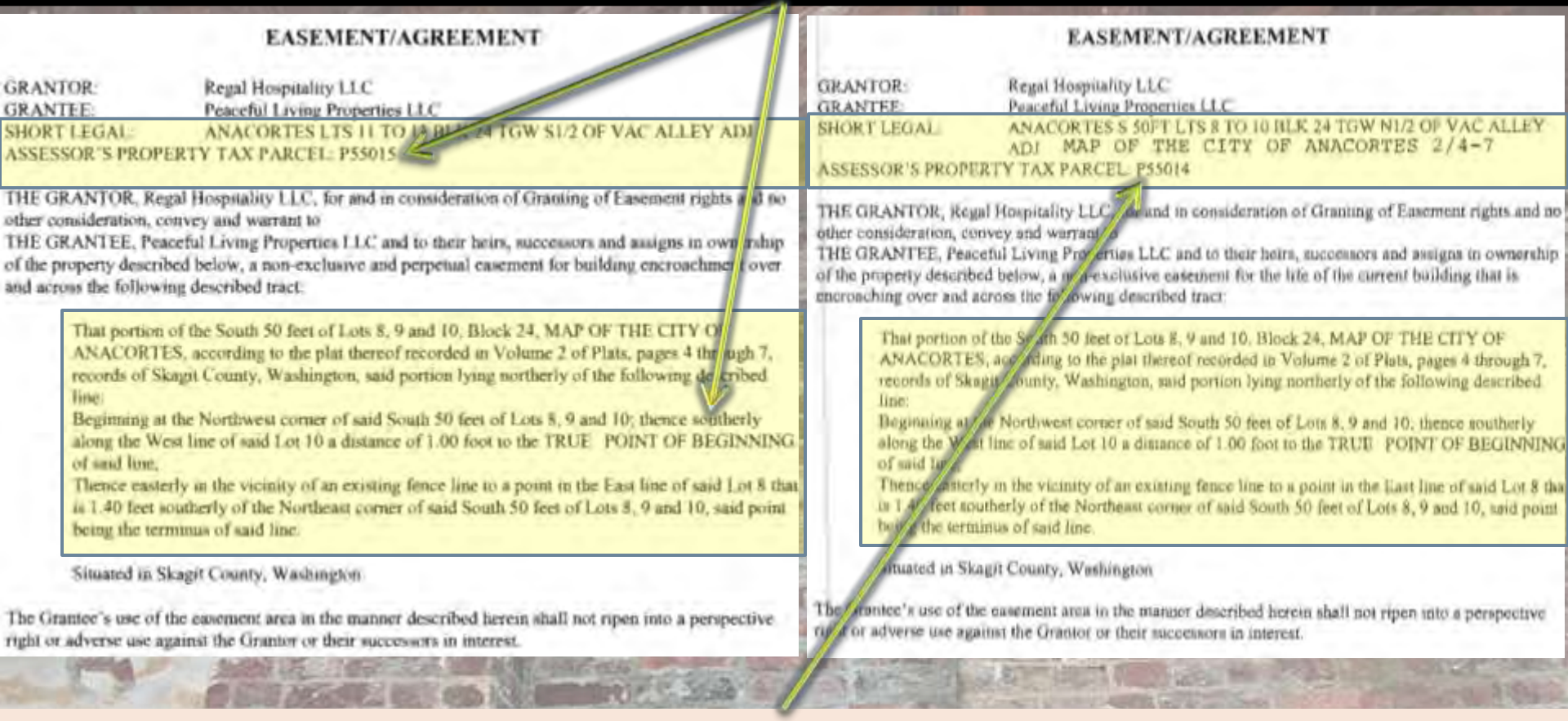
LOTS 7, 8, 9 AND 10, BLOCK 24, **MAP OF CITY OF ANACORTES**, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 2 OF PLATS, PAGES 4 THROUGH 7, RECORDS OF SKAGIT COUNTY, WASHINGTON.

EXCEPT THE SOUTH 50 FEET OF LOTS 8, 9 AND 10.

SITUATED IN SKAGIT COUNTY, WASHINGTON.

I sent this survey to Windermere Agents Laws/Craig & Chicago Title during Feasibility

I Received the Easement Prepared by Windermere Agents Laws/Craig, Chicago Title, And the Owner/Seller/Windermere Commercial Agent Guy Davidson.



EASEMENT/AGREEMENT

GRANTOR: Regal Hospitality LLC
GRANTEE: Peaceful Living Properties LLC
SHORT LEGAL: ANACORTES LTS 11 TO 13 BLK 24 TGW S1/2 OF VAC ALLEY ADJ
ASSESSOR'S PROPERTY TAX PARCEL: P55015

THE GRANTOR, Regal Hospitality LLC, for and in consideration of Granting of Easement rights and no other consideration, convey and warrant to
THE GRANTEE, Peaceful Living Properties LLC and to their heirs, successors and assigns in ownership of the property described below, a non-exclusive and perpetual easement for building encroachment over and across the following described tract:

That portion of the South 50 feet of Lots 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington, said portion lying northerly of the following described line:
Beginning at the Northwest corner of said South 50 feet of Lots 8, 9 and 10; thence southerly along the West line of said Lot 10 a distance of 1.00 foot to the TRUE POINT OF BEGINNING of said line;
Thence easterly in the vicinity of an existing fence line to a point in the East line of said Lot 8 that is 1.40 feet southerly of the Northeast corner of said South 50 feet of Lots 8, 9 and 10, said point being the terminus of said line.

Situated in Skagit County, Washington

The Grantee's use of the easement area in the manner described herein shall not ripen into a perspective right or adverse use against the Grantor or their successors in interest.

EASEMENT/AGREEMENT

GRANTOR: Regal Hospitality LLC
GRANTEE: Peaceful Living Properties LLC
SHORT LEGAL: ANACORTES S 50FT LTS 8 TO 10 BLK 24 TGW N1/2 OF VAC ALLEY ADJ MAP OF THE CITY OF ANACORTES 2/4-7
ASSESSOR'S PROPERTY TAX PARCEL: P55014

THE GRANTOR, Regal Hospitality LLC, for and in consideration of Granting of Easement rights and no other consideration, convey and warrant to
THE GRANTEE, Peaceful Living Properties LLC and to their heirs, successors and assigns in ownership of the property described below, a non-exclusive easement for the life of the current building that is encroaching over and across the following described tract:

That portion of the South 50 feet of Lots 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington, said portion lying northerly of the following described line:
Beginning at the Northwest corner of said South 50 feet of Lots 8, 9 and 10; thence southerly along the West line of said Lot 10 a distance of 1.00 foot to the TRUE POINT OF BEGINNING of said line;
Thence easterly in the vicinity of an existing fence line to a point in the East line of said Lot 8 that is 1.40 feet southerly of the Northeast corner of said South 50 feet of Lots 8, 9 and 10, said point being the terminus of said line.

Situated in Skagit County, Washington

The Grantee's use of the easement area in the manner described herein shall not ripen into a perspective right or adverse use against the Grantor or their successors in interest.

The final recorded easement agreement actually correctly references P55014, but the defense claimed in my deposition that the "Short Legal" should have referred to my Tax Parcel which is silly – of course my building encroaches onto P55013 it was built there!

The Purchase was Closed August 22nd 2008 at the Anacortes Office of Chicago Title.
On August 26th 2008 I found CARS STILL PARKED ON MY PROPERTY.

When I threatened to have them removed…

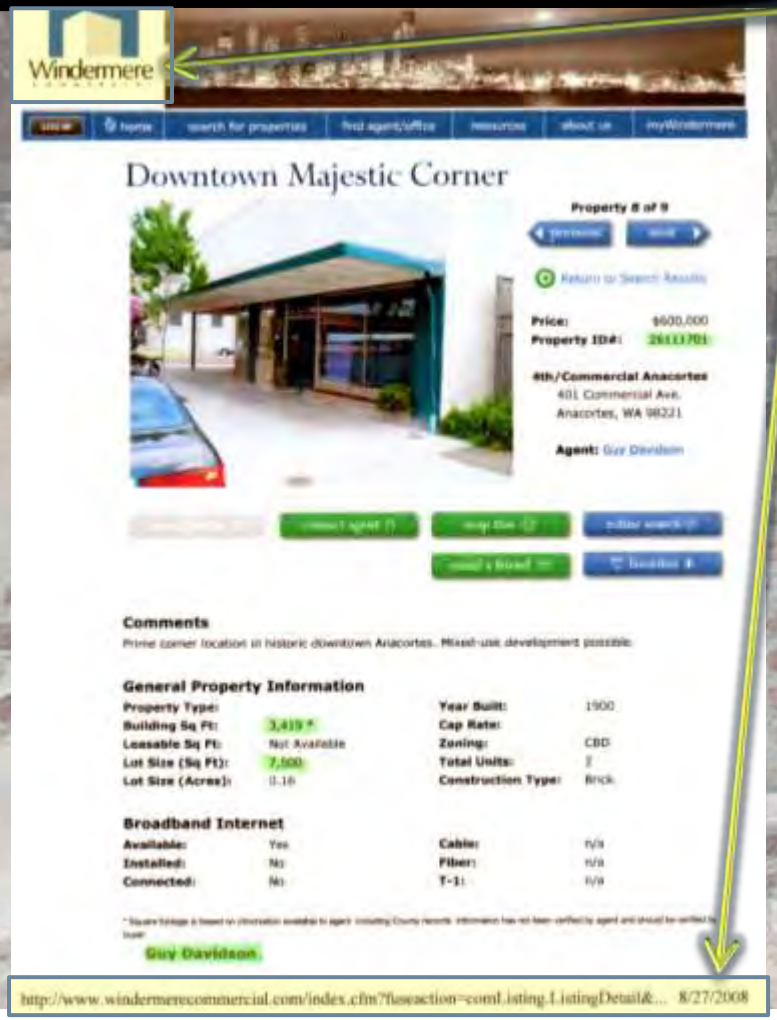
From: Wendelin Dunlap
To: wendelin@peacefulofferings.com; nscott@windermere.com
Cc: colleencraig@windermere.com; "Meredith Laws"
Subject: RE: Future Business
Date: Wednesday, August 27, 2008 7:15:25 AM
Importance: High

I will also have all vehicles that continue to use my property for parking towed at the owner's expense. One mini-van would have been in danger of towing yesterday. Somebody might want to alert the Majestic that the property they sold for 550k is no longer theirs!!!!!!!!
W

I was told they were the Seller's cars parked on property not included in the sale!

I Was Informed for the 1ST Time that:

1. The ADVERTISED LISTING that prompted me to make my offer…was "not supposed to be posted" and was "supposed to have been removed from Windermere's Commercial Web Site in 2007" but was not even 5 days after closing.



AUGUST 27TH 2008

AM I RESPONSIBLE FOR THEIR FALSE ADVERTISING?

When I Confronted Windermere Broker/Commercial Agent Nate Scott

From: Wendelin [mailto:wendelin@wendelin.com]
Sent: Wednesday, August 27, 2008 1:58 PM
To: 'nate@windermere.com'; 'Meredith Laws'; 'Colleen Craig'
Cc: 'Nels Strandberg'; 'Mansfield, Mary'
Subject: What I made an offer on...

Importance: High
Hi All,
Here is the listing I made an offer on
http://www.windermerecommercial.com/index.cfm?fuseaction=comListing.ListingDetail&ListingID=21760
You can argue amongst yourselves as to who is at fault. But the above listing that is still active is what I made my offer on.
The lot size is listed as 7500 sq ft and my addition from the survey I had done from the initial legal description came in at 7450 according to my calculations.
So, not only is what was surveyed mine, but I get an extra 50 sq ft from somewhere.
Wendelin

He confirmed that the listing had been live but said it should have been cancelled.

From: Nate Scott [mailto:nscott@windermere.com]
Sent: Thursday, August 28, 2008 9:55 AM
To: wendelin@wendelin.com
Subject: RE: What I made an offer on...
Wendelin, You're welcome.
Yes, the listing on that site, not controlled by us, was a listing of that property from 2006, cancelled in mid-2007. The new listing, which also showed up, was listed in early 2008 and had 4,500 sq ft, and was the listing that showed on any other site out there. We don't know why the old listing didn't come off that site, but have asked them to explain.
We also don't know why the first commitment for title showed lot 7 as the purchase and sale clearly only had lots 8-10 descrived on the legal. We do have a copy of the second commitment for title showing the corrected legal of lots 8-10 and are told you were sent a copy of that. The title company doesn't have, that I'm aware of, proof of sending it, nor the date that they sent it to us – so that is a bit confusing.
I've sent the listing file, pending file, and both Meredith and Guys personal files to our attorney for review. I'll keep you posted, and again, I uderstand that this isn't a great moment for you and am working to resolve it.
Thanks,
Nate Scott

AUGUST 27TH 2008

AM I RESPONSIBLE FOR THEIR FALSE ADVERTISING?

Yet, I have proof that Guy Davidson was managing a CBA Listing for the property on 01/24/08 with an Expiration Date of 9/30/08

Changed Date: 01/24/08 3:44 PM **Changed By:** Guy Davidson - Coastal Realty
Table Name: ePropJoin Show/Hide Detail

Field	From	To
cla		1

Changed Date: 01/24/08 3:43 PM **Changed By:** Guy Davidson - Coastal Realty
Table Name: ePropJoin Show/Hide Detail

Field	From	To
status	x	R

Changed Date: 01/24/08 3:42 PM **Changed By:** Guy Davidson - Coastal Realty
Table Name: efeatures Show/Hide Detail

Field	From	To
sfMin	3481	3419

Changed Date: 01/24/08 3:42 PM **Changed By:** Guy Davidson - Coastal Realty
Table Name: ePropJoin Show/Hide Detail

Field	From	To
id	2006-07-09 00:00:00	09/30/2008
inetRemarks	Great location at corner of 4th and Commercial in Historic Downtown Anacortes. Property is right next to the recently renovated Majestic Inn and Spa. Zoning is CBD which allows retail, restaurants, multi-family, office, etc.	Great location at corner of 4th and Commercial in Historic Downtown Anacortes. Property is right next to the recently renovated Majestic Inn and Spa. Zoning is CBD which allows retail, restaurants, multi-family, office, etc. Currently two 1700 sq.ft. spaces. Needs renovation.

AUGUST 27TH 2008

AM I RESPONSIBLE FOR THEIR FALSE ADVERTISING?

On 08/26/08 He Again Updated the Listing to Reflect Having Been Sold on 08/22/08

Changed Date: 08/26/08 12:31 PM **Changed By:** Guy Davidson - Coastal Realty

Table Name: ePropJoin Show/Hide Detail

Field	From	To
clo		08/22/2008
sp		550,000
status	x	S

AUGUST 27TH 2008

AM I RESPONSIBLE FOR THEIR FALSE ADVERTISING?

However, Guy Davidson denied under oath to having managed the listing at all...

Q Do you have any explanation whatsoever as to how this listing appeared on Windermere dot com until the August 27th, 2008 date disputing the listing having been cancelled from months before?

A I believe Mr. Scott answered that in his interrogatory.

Q According to the interrogatory answers here he states that "The listings automatically come off when listings expire. The only exception to this is if an agent inputs a listing manually to Windermere dot com it will negate the sweep removing the listing."

So according to his answer this should have been swept off the site as the listing had expired?

A Right.

Q And so essentially you don't know who caused that sweep to not remove this web page listing?

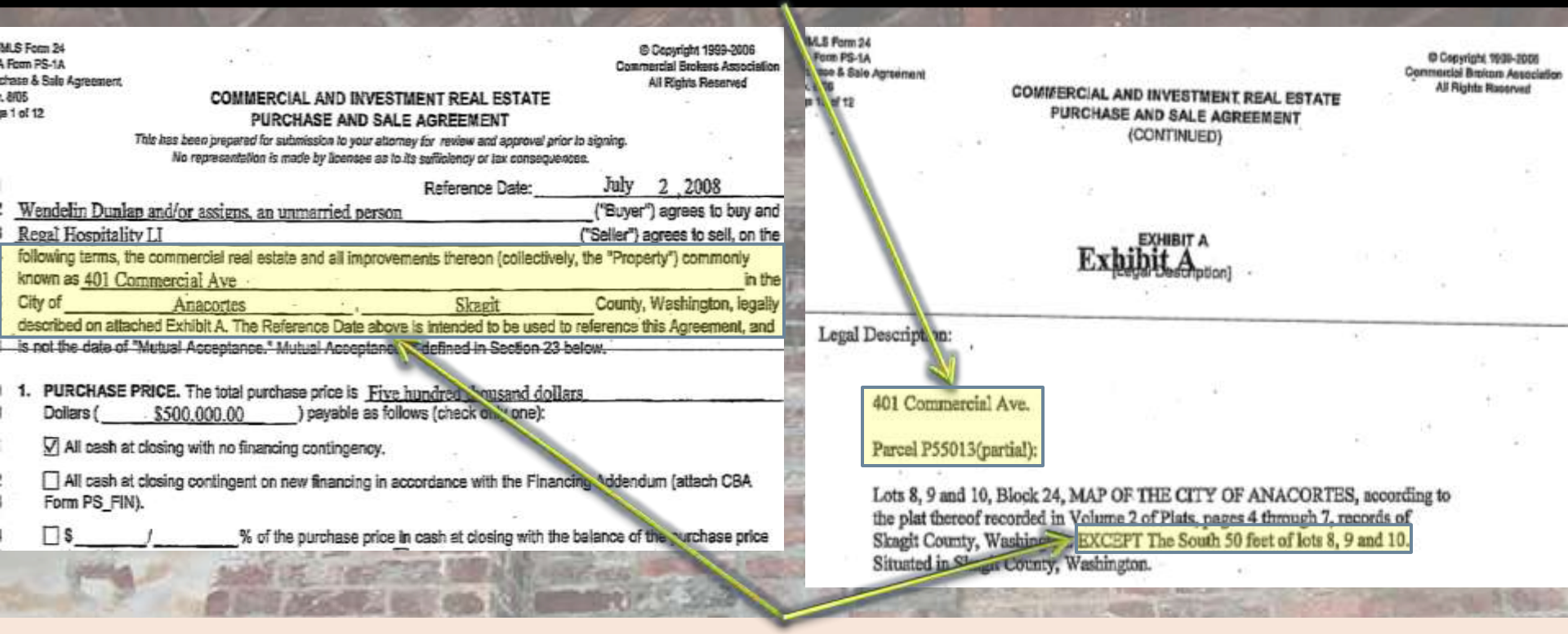
A No.

AUGUST 27TH 2008

AM I RESPONSIBLE FOR THEIR FALSE ADVERTISING?

I Was Informed for the 1ST Time that:

2. The word (partial) that was inserted after the Tax Parcel Number in the Purchase Agreement Legal Description was intended to inform me that the Tax Parcel would be subdivided upon closing to convey 3,000 sq ft less than was advertised.



MLS Form 24
A Form PS-1A
...hase & Sale Agreement
...8/05
...ge 1 of 12

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COMMERCIAL AND INVESTMENT REAL ESTATE
PURCHASE AND SALE AGREEMENT

This has been prepared for submission to your attorney for review and approval prior to signing.
No representation is made by licensee as to its sufficiency or tax consequences.

Reference Date: July 2, 2008

Wendelin Dunlap and/or assigns, an unmarried person ("Buyer") agrees to buy and
Regal Hospitality LI ("Seller") agrees to sell, on the
following terms, the commercial real estate and all improvements thereon (collectively, the "Property") commonly
known as 401 Commercial Ave in the
City of Anacortes, Skagit County, Washington, legally
described on attached Exhibit A. The Reference Date above is intended to be used to reference this Agreement, and
is not the date of "Mutual Acceptance." Mutual Acceptance is defined in Section 23 below.

1. **PURCHASE PRICE.** The total purchase price is Five hundred thousand dollars
Dollars ($500,000.00) payable as follows (check only one):

☑ All cash at closing with no financing contingency.

☐ All cash at closing contingent on new financing in accordance with the Financing Addendum (attach CBA Form PS_FIN).

☐ $_____/_____% of the purchase price in cash at closing with the balance of the purchase price

MLS Form 24
Form PS-1A
...se & Sale Agreement
...of 12

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COMMERCIAL AND INVESTMENT REAL ESTATE
PURCHASE AND SALE AGREEMENT
(CONTINUED)

EXHIBIT A
Exhibit A
[Legal Description]

Legal Description:

401 Commercial Ave.

Parcel P55013(partial):

Lots 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington; EXCEPT The South 50 feet of lots 8, 9 and 10.
Situated in Skagit County, Washington.

The "common name" had no notations about
"only part the Property" being included in the Purchase Agreement.
I read the word (partial) as referring to the exception:
"EXCEPT The South 50 feet of lots 8, 9 and 10."

AUGUST 27TH 2008

HOW & WHERE WAS THAT REPRESENTED TO ME?

My interpretation of the inclusion of (partial) was supported by the wording in the abbreviated legal description in the Commitment for Title Insurance

Common Name & Legal Description in CIRSPA

Legal Description:

401 Commercial Ave.

Parcel P55013(partial):

Lots 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington. EXCEPT The South 50 feet of lots 8, 9 and 10. Situated in Skagit County, Washington.

"Ptn" is used interchangeably with the word "EXCEPT" and the "common name" for the property is never altered

Common Name & Legal Description in Commitment for Title Insurance sent 07/18/08

2. According to the County Assessors Rolls the property address is:

401 COMMERCIAL AVENUE
Anacortes WA 98221

3. If an abbreviated legal description is required, it can read as follows:

Lot 7 and Ptn. Lots 8, 9 and 10, Blk. 23, MAP OF THE CITY OF ANACORTES

- END OF SCHEDULE B -

Order No.: IC46169

EXHIBIT "A"

Lots 7, 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof, recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington;

EXCEPT the South 50 feet of Lots 8, 9 and 10.

Situated in Skagit County, Washington.

Common Name & Legal Description in 2nd Commitment for Title Insurance sent 07/15/08

2. According to the County Assessors Rolls the property address is:

401 COMMERCIAL AVENUE
Anacortes WA 98221

3. If an abbreviated legal description is required, it can read as follows:

Ptn. Lots 8, 9 and 10, Blk. 24, MAP OF THE CITY OF ANACORTES

END OF SCHEDULE B -

Order No.: IC46169

EXHIBIT "A"

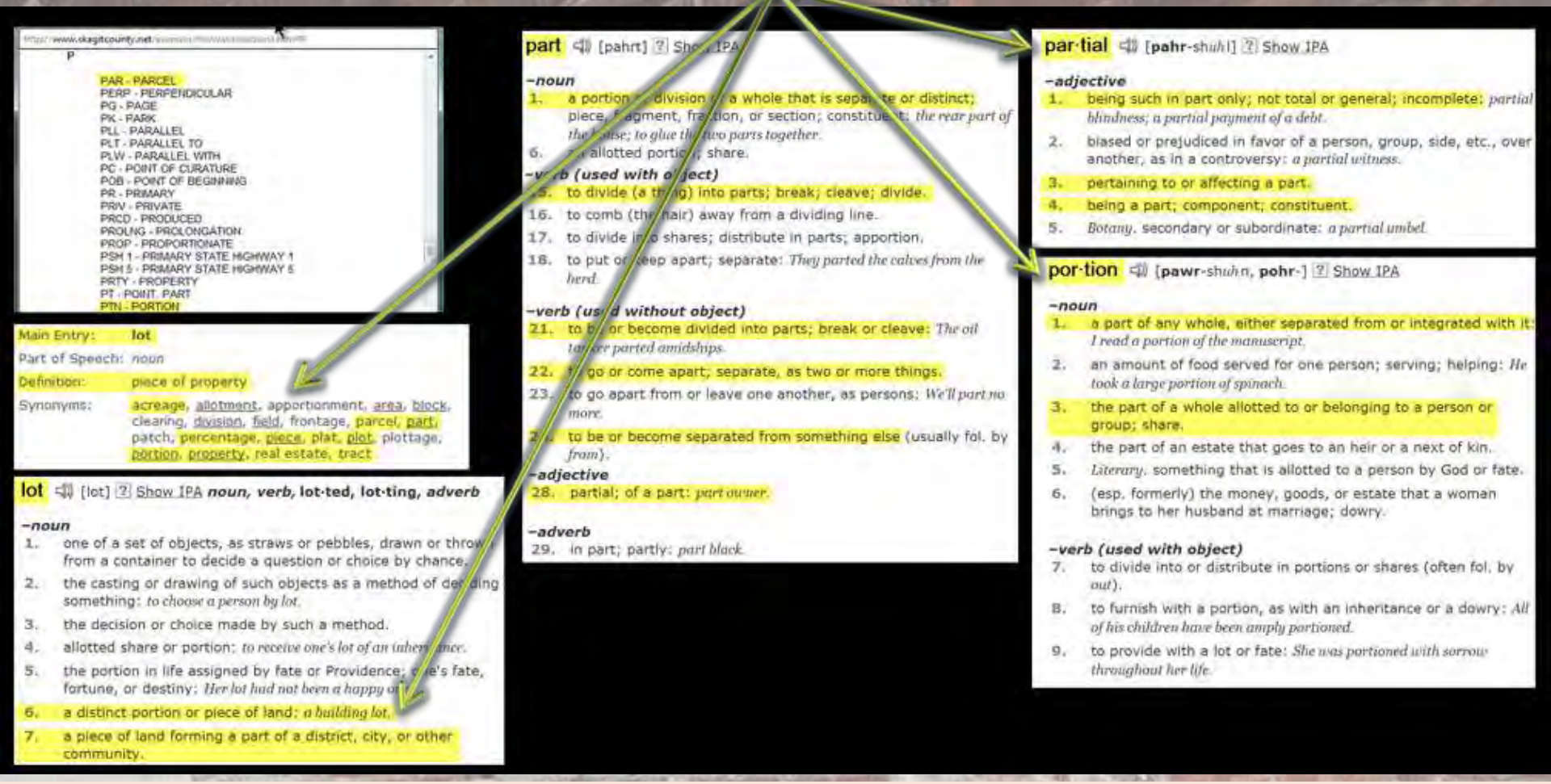
Lots 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof, recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington;

EXCEPT the South 50 feet of Lots 8, 9 and 10

Situated in Skagit County, Washington.

- END OF EXHIBIT "A" -

It seems that by definition: lot, parcel, part, piece, portion, property & real estate can be used interchangeably...



How could the simple addition of the word "partial" be used to sub-divide a tax parcel when it is so nebulous having many synonyms pertaining to real estate property?

As a matter of fact, it was even used to refer to the full Tax Parcel for Regal's "Partial" Reconveyance…

AUGUST 27TH 2008

HOW & WHERE WAS THAT REPRESENTED TO ME?

The listing represents 7,500 sq ft of land with the caveat that
* Square footage is based on information available to agent, including County records.
Information has not been verified by agent and should be verified by buyer.

General Property Information

Property Type:		**Year Built:**	1900
Building Sq Ft:	3,419 *	**Cap Rate:**	
Leasable Sq Ft:	Not Available	**Zoning:**	CBD
Lot Size (Sq Ft):	7,500	**Total Units:**	2
Lot Size (Acres):	0.16	**Construction Type:**	Brick

Broadband Internet

Available:	Yes	**Cable:**	n/a
Installed:	No	**Fiber:**	n/a
Connected:	No	**T-1:**	n/a

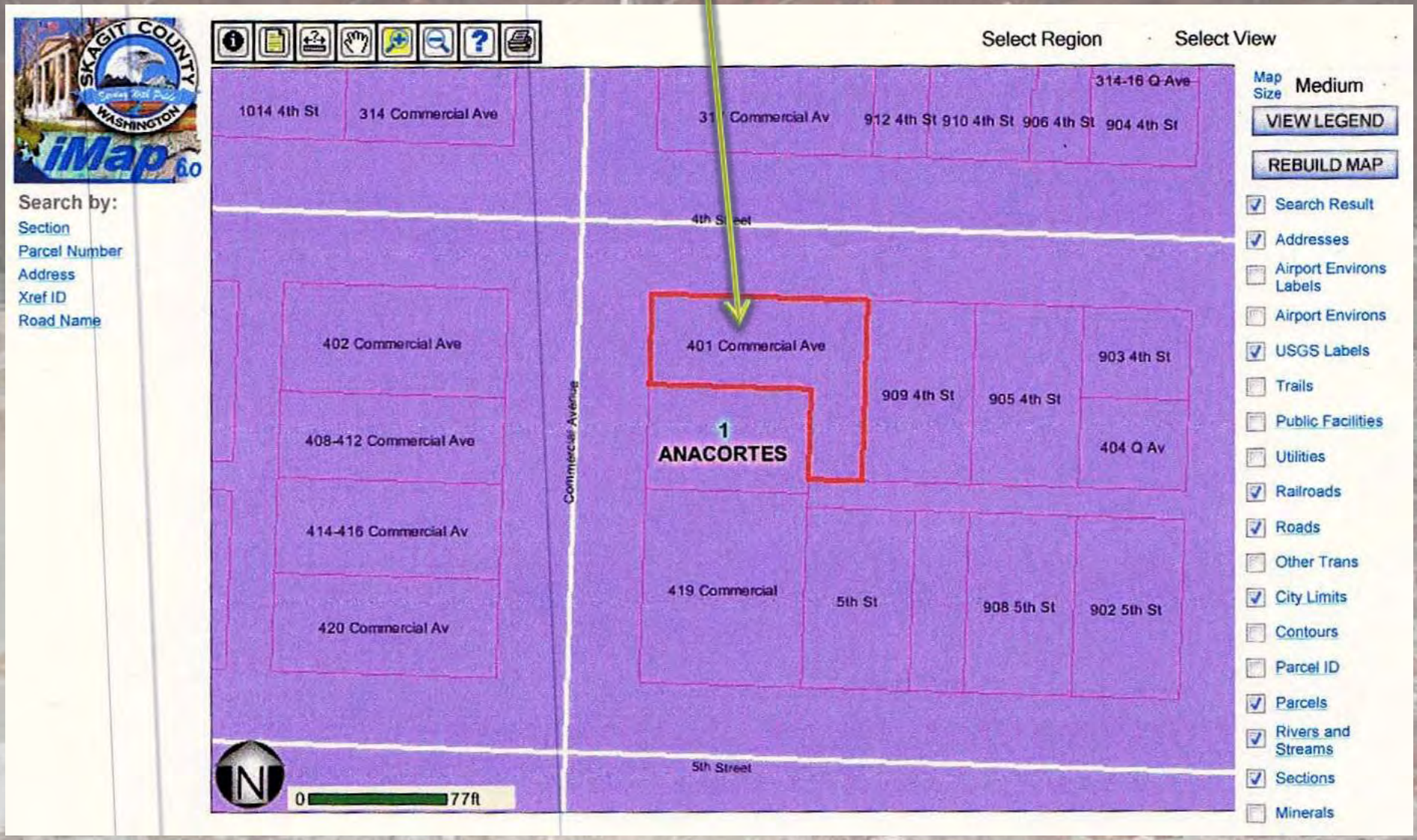
* Square footage is based on information available to agent, including County records. Information has not been verified by agent and should be verified by buyer.

Guy Davidson

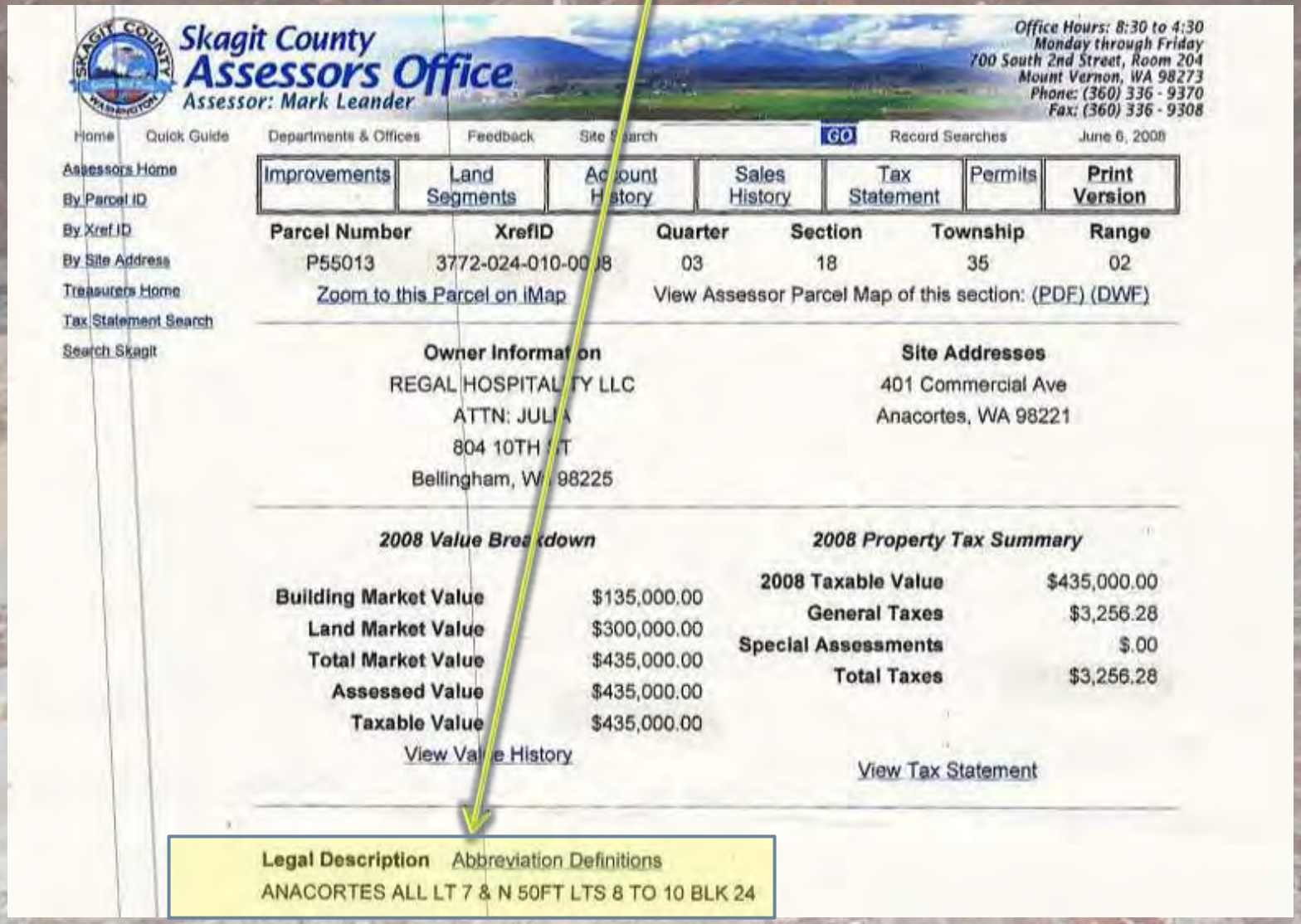
http://www.windermerecommercial.com/index.cfm?fuseaction=comListing.ListingDetail&... 8/27/2008

So I checked with the COUNTY AND did a SURVEY..
I would say that I definitely verified it for the listing still posted 5 days after closing!!

Skagit County Representation of Property Advertised as 7500 sq ft



Skagit County Representation of Property Advertised as 7500 sq ft



Skagit County Assessors Office
Assessor: Mark Leander

Office Hours: 8:30 to 4:30
Monday through Friday
700 South 2nd Street, Room 204
Mount Vernon, WA 98273
Phone: (360) 336 - 9370
Fax: (360) 336 - 9308

Home | Quick Guide | Departments & Offices | Feedback | Site Search | GO | Record Searches | June 6, 2008

Assessors Home
By Parcel ID
By Xref ID
By Site Address
Treasurers Home
Tax Statement Search
Search Skagit

Improvements | Land Segments | Account History | Sales History | Tax Statement | Permits | Print Version

Parcel Number	XrefID	Quarter	Section	Township	Range
P55013	3772-024-010-00 8	03	18	35	02

Zoom to this Parcel on iMap
View Assessor Parcel Map of this section: (PDF) (DWF)

Owner Information
REGAL HOSPITAL TY LLC
ATTN: JUL A
804 10TH T
Bellingham, W 98225

Site Addresses
401 Commercial Ave
Anacortes, WA 98221

2008 Value Breakdown

Building Market Value	$135,000.00
Land Market Value	$300,000.00
Total Market Value	$435,000.00
Assessed Value	$435,000.00
Taxable Value	$435,000.00

View Va e History

2008 Property Tax Summary

2008 Taxable Value	$435,000.00
General Taxes	$3,256.28
Special Assessments	$.00
Total Taxes	$3,256.28

View Tax Statement

Legal Description Abbreviation Definitions
ANACORTES ALL LT 7 & N 50FT LTS 8 TO 10 BLK 24

AUGUST 27TH 2008

HOW & WHERE WAS THAT REPRESENTED TO ME?

Skagit County Representation of Property Advertised as 7500 sq ft

Directory Quick Guide Search GO Record Searches August 27, 2008

Address and Contact

Auditor Home

Auditor Recording Home

Search Skagit Databases

Recording Search Results

Document search criteria:

File Number = **200508050158**; Recorded between **3/1/1979** and **8/27/2008**

The search returned 1 records.

Currently displaying page 1 of 1; Records 1 through 1.

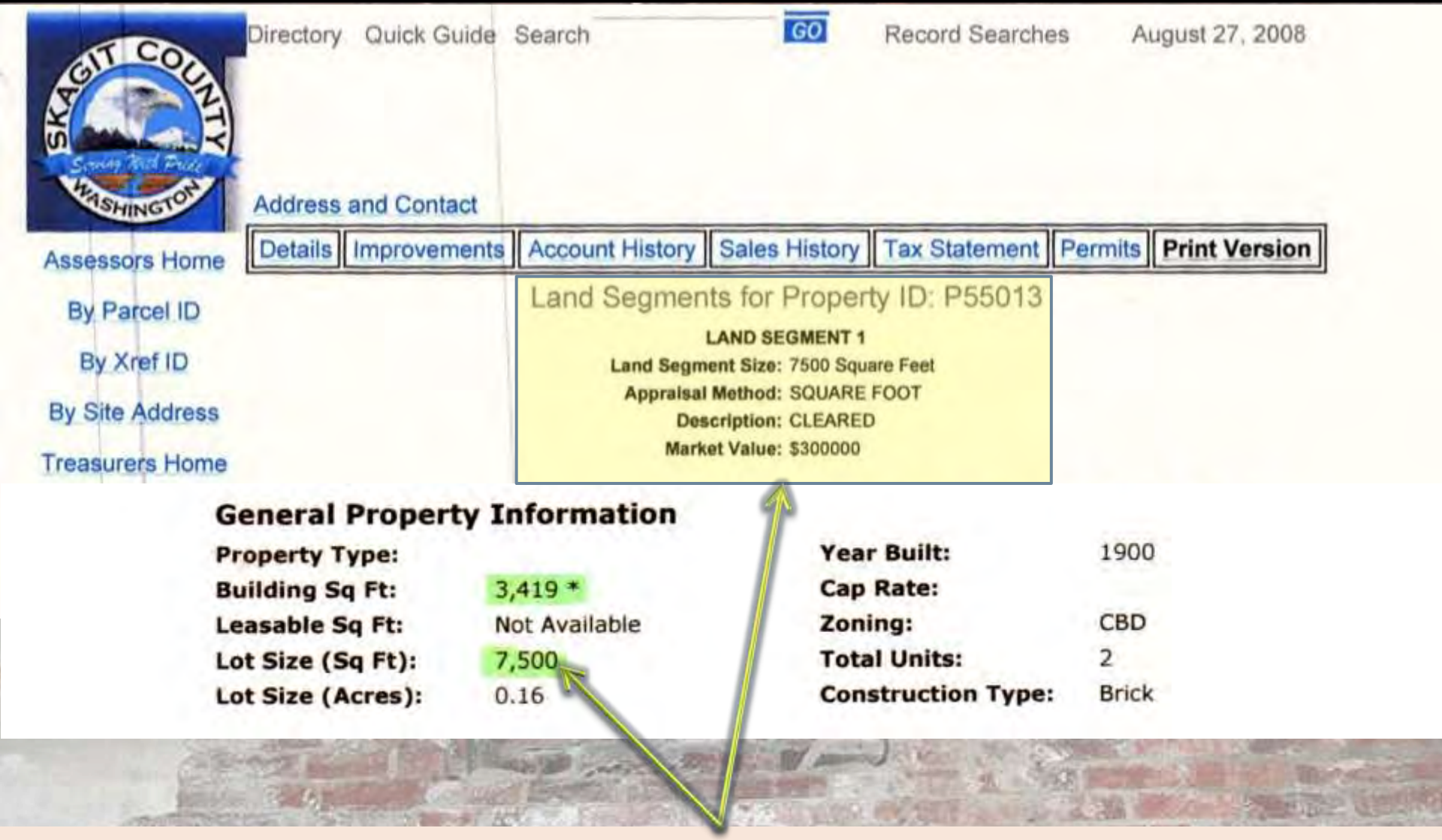
View the actual document. View referring documents. View Assessor's information.

File Number, Date Recorded, Document	Grantor	Grantee	Filer	Comment	Legal	Parcel, PLSS Data
200508050158 8/5/2005 DEED	DAVIDSON GUY, DAVIDSON SANDRA	REGAL HOSPITALITY L L C	CHICAGO TITLE COMPANY	-	ANACORTES ALL LT 7 & N 50FT LTS 8 TO 10 BLK 24	P55013

AUGUST 27TH 2008

HOW & WHERE WAS THAT REPRESENTED TO ME?

Skagit County Representation of Property Advertised as 7500 sq ft

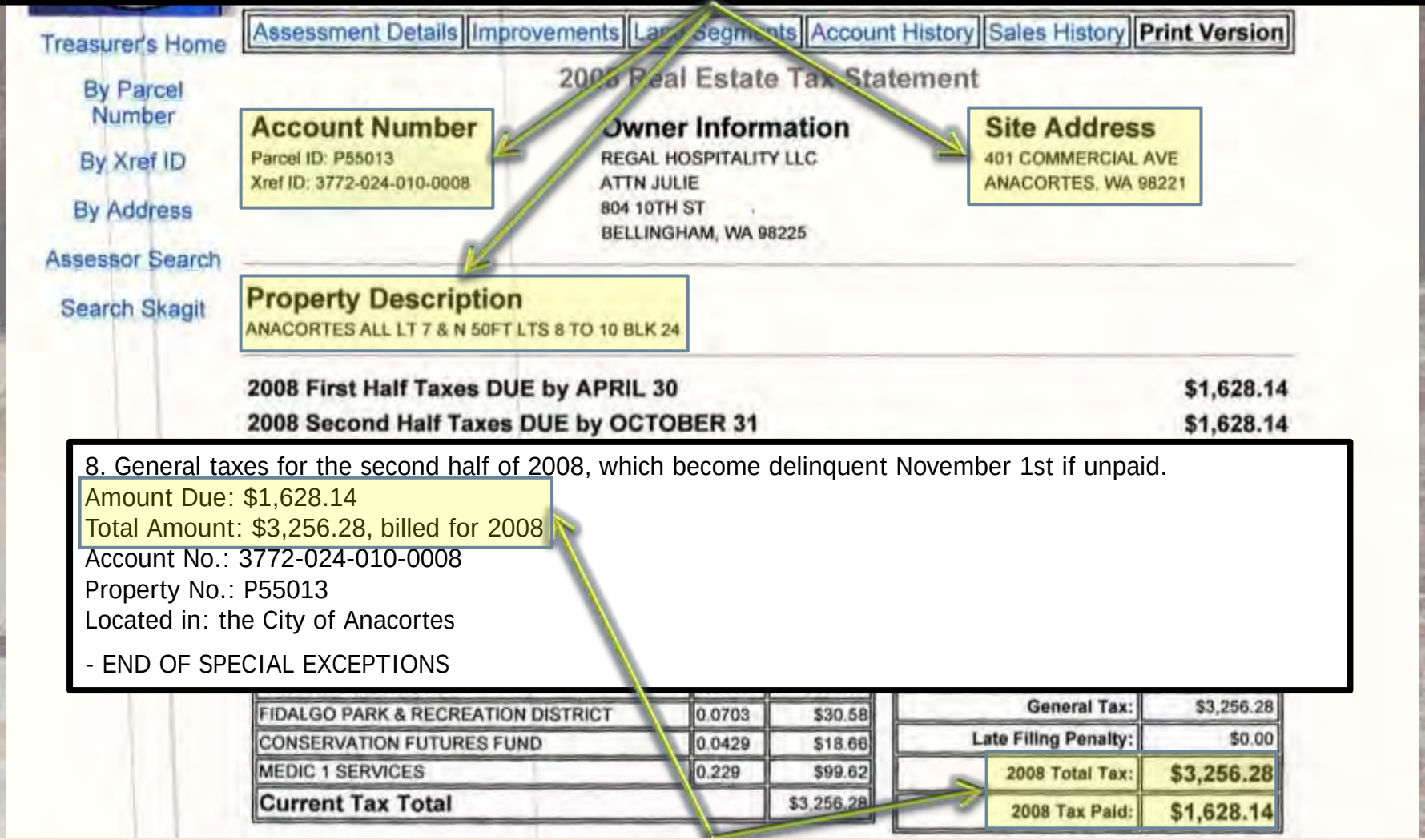


County lot size matches advertised listing lot size

AUGUST 27TH 2008

HOW & WHERE WAS THAT REPRESENTED TO ME?

Skagit County Representation of Property Advertised as 7500 sq ft



Treasurer's Home
By Parcel Number
By Xref ID
By Address
Assessor Search
Search Skagit

Assessment Details | Improvements | Land Segments | Account History | Sales History | Print Version

2008 Real Estate Tax Statement

Account Number
Parcel ID: P55013
Xref ID: 3772-024-010-0008

Owner Information
REGAL HOSPITALITY LLC
ATTN JULIE
804 10TH ST
BELLINGHAM, WA 98225

Site Address
401 COMMERCIAL AVE
ANACORTES, WA 98221

Property Description
ANACORTES ALL LT 7 & N 50FT LTS 8 TO 10 BLK 24

2008 First Half Taxes DUE by APRIL 30	**$1,628.14**
2008 Second Half Taxes DUE by OCTOBER 31	**$1,628.14**

8. General taxes for the second half of 2008, which become delinquent November 1st if unpaid.
Amount Due: $1,628.14
Total Amount: $3,256.28, billed for 2008
Account No.: 3772-024-010-0008
Property No.: P55013
Located in: the City of Anacortes

- END OF SPECIAL EXCEPTIONS

FIDALGO PARK & RECREATION DISTRICT	0.0703	$30.58
CONSERVATION FUTURES FUND	0.0429	$18.66
MEDIC 1 SERVICES	0.229	$99.62
Current Tax Total		$3,256.28

General Tax:	$3,256.28
Late Filing Penalty:	$0.00
2008 Total Tax:	**$3,256.28**
2008 Tax Paid:	**$1,628.14**

The final closing documents contained the tax amount for the full tax parcel – not prorated for selling me only part of the tax parcel.

Survey I Commissioned

From: Wendelin [mailto:wendelin@wendelin.com]
Sent: Thursday, August 07, 2008 11:23 AM
To: aimee@strandbergconstruction.com
Subject: RE: 401 building

Here is the info from the county site and attached is a scan of the legal desc in the title report...

Parcel Number	XrefID	Quarter	Section	Township	Range
P55013	3772-024-010-0008	03	18	35	02

Zoom to this Parcel on iMap — View Assessor Parcel Map of this section: (PDF) (DWF)

Owner Information	Site Addresses
REGAL HOSPITALITY LLC	401 Commercial Ave
ATTN: JULIA	[Old Situs] 401 Commercial Av

Legal Description Abbreviation Definitions

ANACORTES ALL LT 7 & N 50FT LTS 8 TO 10 BLK 24

From: Aimee Luthiger [mailto:aimee@strandbergconstruction.com]
Sent: Thursday, August 07, 2008 9:26 AM
To: wendelin@wendelin.com
Subject: 401 building

Wendelin,
Can you please send me the legal and parcel numbers per your Purchase & Sale Agreement? I'll contact Semrau Engineering after I receive that info so I can get a bid on a boundary survey.
Thanks

EXHIBIT "A"

Lots 7, 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof, recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington;

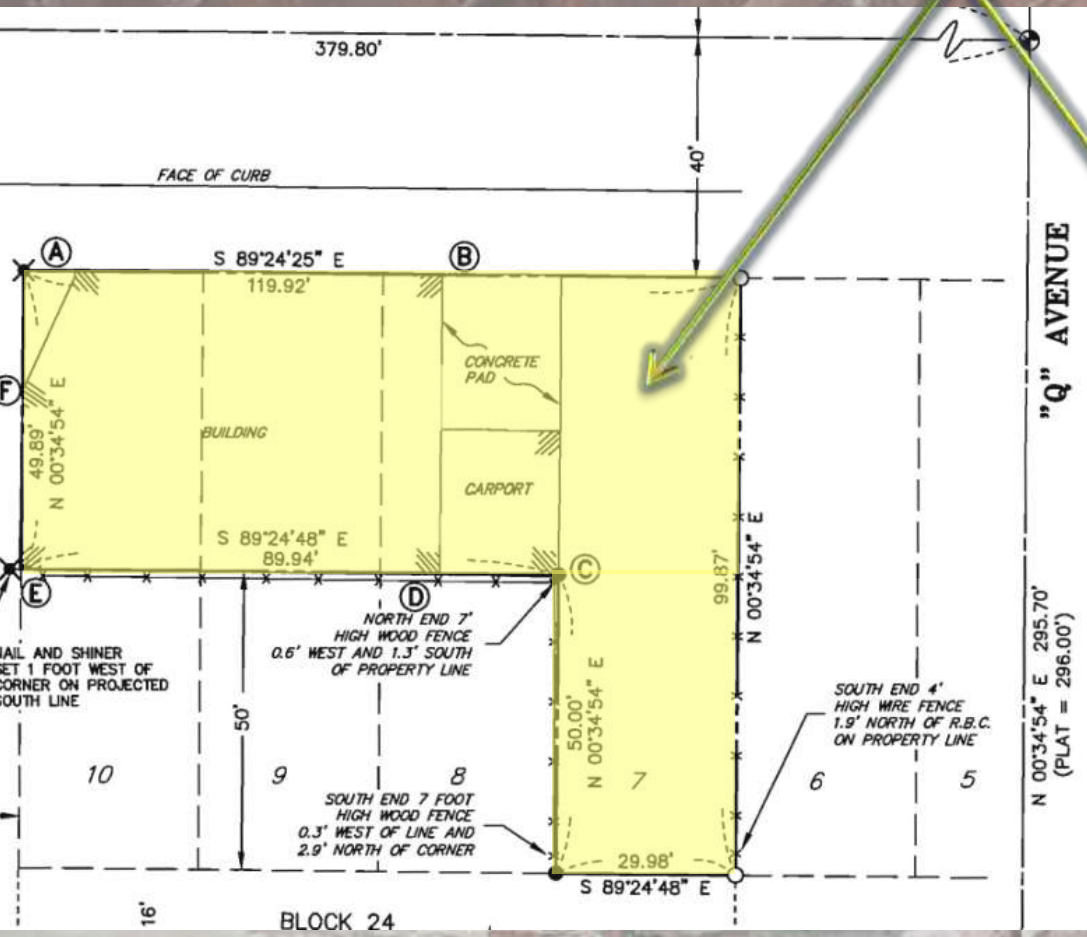
EXCEPT the South 50 feet of Lots 8, 9 and 10.

Situated in Skagit County, Washington.

AUGUST 27TH 2008

HOW & WHERE WAS THAT REPRESENTED TO ME?

Survey I Commissioned



NOTES

1. ● – INDICATES IRON REBAR SET WITH YELLOW CAP – SURVEY NUMBER SEMRAU 28626
   ⊗ – INDICATES NAIL AND SHINER SET IN LEAD – SURVEY NUMBER SEMRAU 28626
   ○ – INDICATES EXISTING REBAR OR IRON PIPE FOUND.
   ◉ – INDICATES CONCRETE MONUMENT IN CASE.
2. THE DESCRIPTION FOR THIS SURVEY IS FROM COMMITMENT FOR TITLE INSURANCE BY CHICAGO TITLE COMPANY–ISLAND DIVISION, ORDER NO. IC46168, DATED JUNE 30, 2008. SAID TITLE REPORT INDICATES THAT THIS PROPERTY IS SUBJECT TO AN EASEMENT RECORDED AS SKAGIT COUNTY AUDITOR'S FILE NO 8511140044, WHICH IS THE SAME DOCUMENT THAT VACATED A PORTION OF THE ALLEY IN BLOCK 24. SAID TITLE REPORT ALSO INDICATES THAT THE PROPERTY IS SUBJECT TO AN AGREEMENT BETWEEN TCI CABLEVISION AND THE MAJESTIC HOTEL RECORDED AS AUDITOR'S FILE NO. 9905100042.
3. BASIS OF BEARING: EXISTING MONUMENTS AT THE INTERSECTION OF 4TH STREET AND "Q" AVENUE AND 4TH STREET AND "O" AVENUE, BEARING = NORTH 89°24'25" EAST.
4. ALL DISTANCES ARE SHOWN IN FEET.
5. INSTRUMENTATION: LEICA TCA 1105 THEODOLITE DISTANCE METER.
6. SURVEY PROCEDURE: STANDARD FIELD TRAVERSE.
7. THIS SURVEY WAS REQUESTED BY NELS STRANDBERG.
8. THIS SURVEY MAY SHOW OCCUPATIONAL INDICATORS AS PER W.A.C. CHAPTER 332.130. LINES OF OCCUPATION MAY INDICATE AREAS FOR POTENTIAL CLAIMS OF UNWRITTEN OWNERSHIP. THIS BOUNDARY SURVEY HAS ONLY SHOWN THE RELATIONSHIP OF LINES OF OCCUPATION TO THE DEEDED LINES OF RECORD. NO RESOLUTION OF OWNERSHIP BASED ON UNWRITTEN RIGHTS HAS BEEN MADE OR IMPLIED BY THIS SURVEY.
9. EXCEPT AS SPECIFICALLY STATED OR SHOWN ON THIS SURVEY MAP, THIS SURVEY DOES NOT PURPORT TO REFLECT ALL OF THE FOLLOWING WHICH MAY BE APPLICABLE TO THE SUBJECT REAL ESTATE: EASEMENTS, BUILDING SETBACKS LINES, RESTRICTIVE COVENANTS, SUBDIVISION RESTRICTIONS, ZONING OR OTHER LAND–USE REGULATIONS AND ANY OTHER FACTS.

DESCRIPTION

LOTS 7, 8, 9 AND 10, BLOCK 24, MAP OF CITY OF ANACORTES, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 2 OF PLATS, PAGES 4 THROUGH 7, RECORDS OF SKAGIT COUNTY, WASHINGTON.

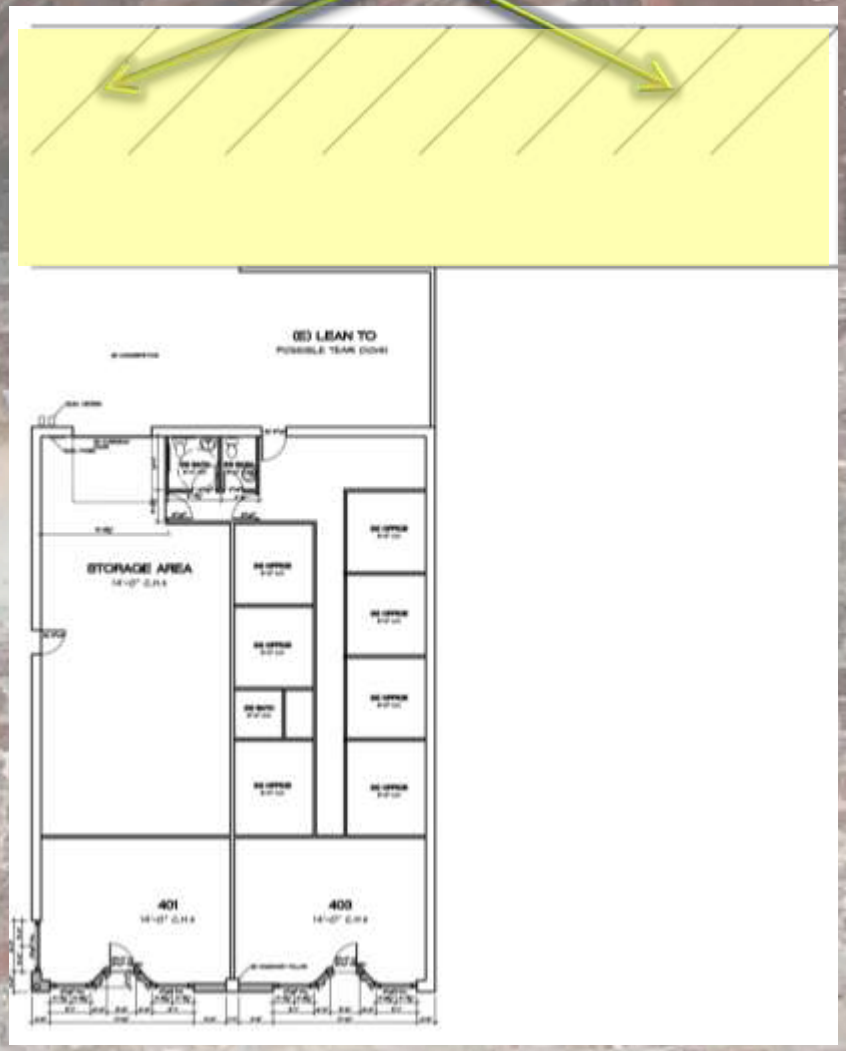
EXCEPT THE SOUTH 50 FEET OF LOTS 8, 9 AND 10.

SITUATED IN SKAGIT COUNTY, WASHINGTON.

AUGUST 27TH 2008

HOW & WHERE WAS THAT REPRESENTED TO ME?

A Map of Intended Land Use that I Submitted to the City of Anacortes for Approval during Feasibility



AUGUST 27TH 2008

HOW & WHERE WAS THAT REPRESENTED TO ME?

I Was Informed for the 1ST Time that:

3. Allegedly, a "Revised Commitment for Title Insurance" was created on July 14TH 2008 to correct errors I found 8 days before I received the Preliminary Commitment.

The Preliminary Commitment may have been "issued on June 30th 2008" (2 days before the offer was made) but the signed cover letter proves that it was not sent until July 18th 2008.

1) I was the closing officer for the transaction between Regal Hospitality [illegible] as the seller and Peaceful Living, LLC as the buyer.

As part of that process Chicago Title Company issued a Preliminary Commitment for Title Insurance dated June 30, 2008. A copy of that commitment for title insurance is attached as **Exhibit 1**. The legal description in that Preliminary Title Commitment was in error and was subsequently corrected.

CHICAGO TITLE COMPANY
Island Division

July 18, 2008

WENDELIN DUNLAP

Re: Escrow No. AE12821
DUNLAP / REGAL HOSPITALITY LLC

Dear MS. DUNLAP:

We are pleased to have the above referenced transaction placed with us for closing. In doing this, we have enclosed some opening paperwork for you to **review and keep**. We are holding the originals for signing at closing.

1. Closing Agreement/Escrow Instructions
2. Commitment for Title Insurance

2) Attached as **Exhibit 2** is an Amended Title Commitment dated July 14, 2008. This document was sent to the buyer by my office. The changes made in this second commitment were both to correct the legal description and to change the identity of the buyer from Wendelin Dunlap to Peaceful Living, LLC. The correct legal description was attached as Exhibit A to the Amended Title Report.

3) Attached as **Exhibit 3** is a copy of the Buyer Settlement Statement, Closing Agreement and Escrow Instructions, Statutory Warranty Deed and Supplement to Closing Agreement and Escrow Instructions. I also served as the Notary Public for these documents.

There was no doubt in my mind that the buyer was aware that the legal description had been amended to properly reflect what was being conveyed, which was also consistent with the Earnest Money Agreement signed between the parties.

I declare under penalty of perjury under the laws of the state of Washington that the foregoing is true and correct and that this declaration was executed at Anacortes, Washington.

DATED this 7th day of October, 2009.

Mary Mansfield

If the Commitment had been updated on July 14th to change from Dunlap to Peaceful Living (Properties) LLC, then why does it still refer to DUNLAP/REGAL HOSPITALITY LLC on July 18th?

AUGUST 27TH 2008

ALLEGEDLY "CORRECTING" AN ERROR 8 DAYS BEFORE IT COULD HAVE POSSIBLY BEEN DISCOVERED?

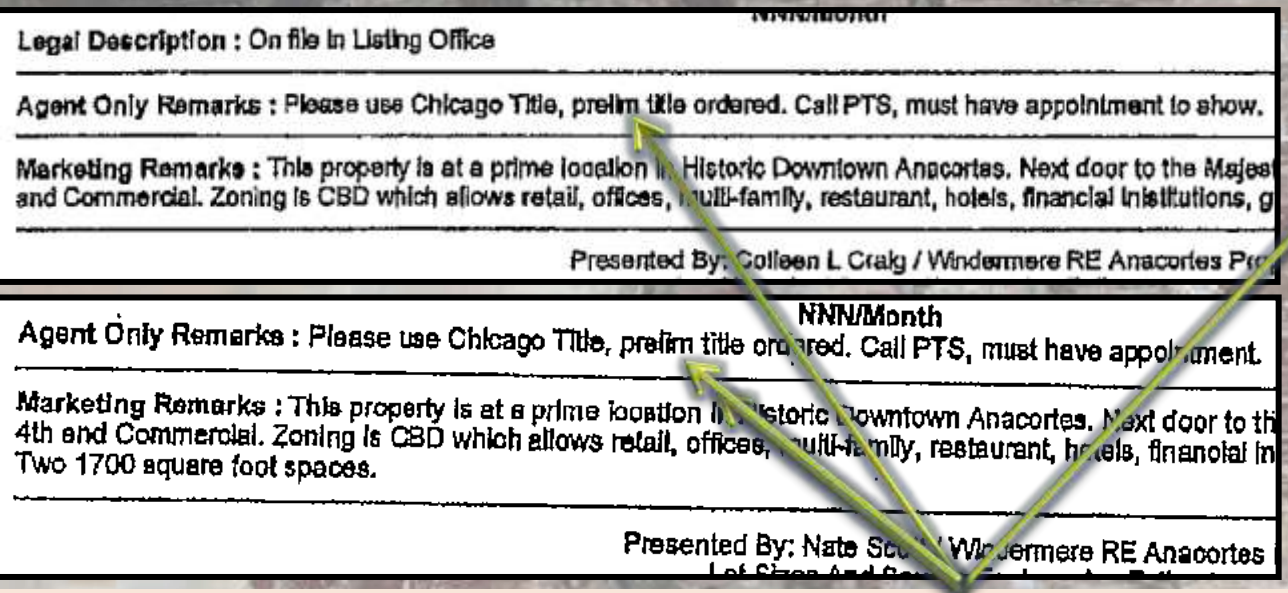
The action of issuing a Preliminary Title Report or a Commitment for Title Insurance before an offer is made goes against the policies on Chicago Title's Own Web Site

The Preliminary Report is an offer to issue a policy of title insurance covering a particular estate or interest in land subject to stated exceptions.

If a title policy is not contemplated, a Preliminary Report should not be ordered. Instead, consideration should be given to requesting a Condition of Title Report or other similar title product.

Documents in the Title Process

1. Preliminary Report
2. Commitment - Shows the condition of title in the way we are willing to issue it.
3. Pro Forma - Specimen of what the requested policy, as requested, will look like. Underwriting issues not completed. Not binding upon the company.
4. Policy - Final product. Contract of indemnity between named insured and the company.



Legal Description : On file in Listing Office

Agent Only Remarks : Please use Chicago Title, prelim title ordered. Call PTS, must have appointment to show.

Marketing Remarks : This property is at a prime location in Historic Downtown Anacortes. Next door to the Majest and Commercial. Zoning is CBD which allows retail, offices, multi-family, restaurant, hotels, financial institutions, g

Presented By: Colleen L Craig / Windermere RE Anacortes Pr

NNN/Month

Agent Only Remarks : Please use Chicago Title, prelim title ordered. Call PTS, must have appointment.

Marketing Remarks : This property is at a prime location in Historic Downtown Anacortes. Next door to th 4th and Commercial. Zoning is CBD which allows retail, offices, multi-family, restaurant, hotels, financial in Two 1700 square foot spaces.

Presented By: Nate Sc Windermere RE Anacortes

As documented by the defense's submissions, the Preliminary Title Report was issued for the 1st time in 2006 and remained in the listing notes when Scott took over the listing 07/07/08. Interestingly, it was linked with a request to use Chicago Title. Then, step 2 in the process, the binding Commitment for Title Insurance was issued 3 days before I made my written offer.

AUGUST 27TH 2008

ALLEGEDLY "CORRECTING" AN ERROR 8 DAYS BEFORE IT COULD HAVE POSSIBLY BEEN DISCOVERED?

Only Commitment for Title Insurance I Ever Received

EXHIBIT "A"

Lots 7, 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof, recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington;

EXCEPT the South 50 feet of Lots 8, 9 and 10.

Situated in Skagit County, Washington.

2. According to the County Assessors Rolls the property address is:

401 COMMERCIAL AVENUE
Anacortes WA 98221

3. If an abbreviated legal description is required, it can read as follows:

Lot 7 and Ptn. Lots 8, 9 and 10, Blk. 23, MAP OF THE CITY OF ANACORTES

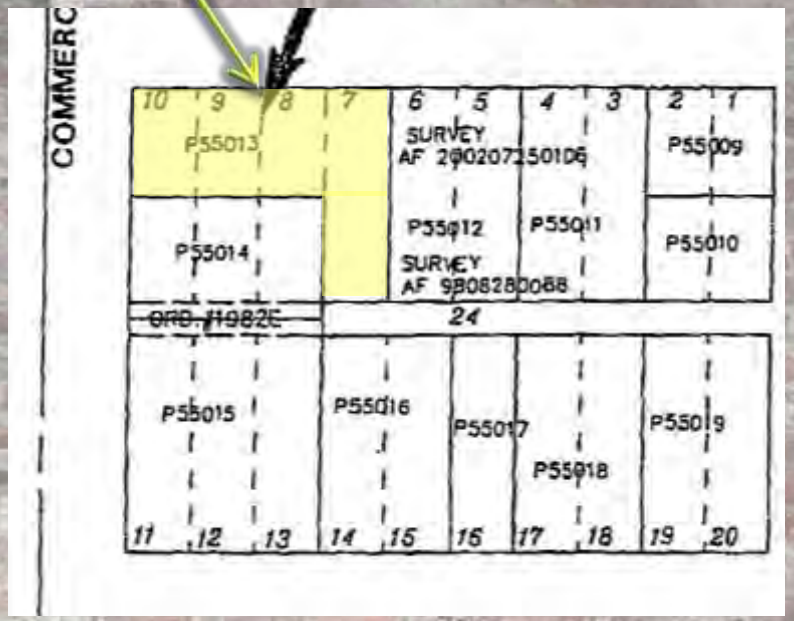
- END OF SCHEDULE B -

KDS/rrp

3 cc: Chicago Title Company - Island Division
Attn: Mary Mansfield

1 cc: Windermere Real Estate/Anacortes Properties
Attn: Nate Scott

1 cc: Windermere Real Estate/Anacortes Properties
Attn: Colleen Craig

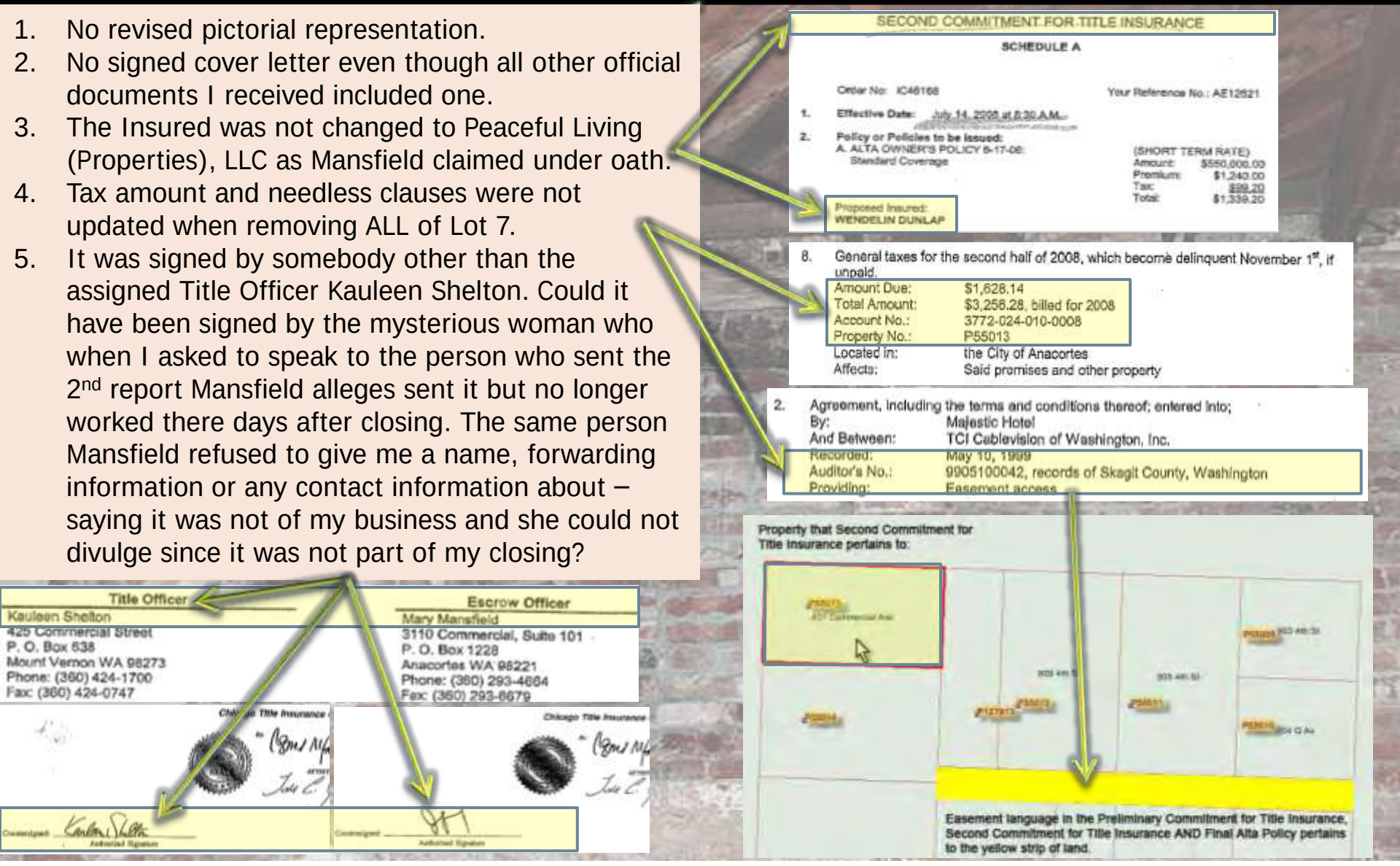


AUGUST 27TH 2008

ALLEGEDLY "CORRECTING" AN ERROR 8 DAYS BEFORE IT COULD HAVE POSSIBLY BEEN DISCOVERED?

Interestingly, the alleged Revised Commitment lacks several components:

1. No revised pictorial representation.
2. No signed cover letter even though all other official documents I received included one.
3. The Insured was not changed to Peaceful Living (Properties), LLC as Mansfield claimed under oath.
4. Tax amount and needless clauses were not updated when removing ALL of Lot 7.
5. It was signed by somebody other than the assigned Title Officer Kauleen Shelton. Could it have been signed by the mysterious woman who when I asked to speak to the person who sent the 2nd report Mansfield alleges sent it but no longer worked there days after closing. The same person Mansfield refused to give me a name, forwarding information or any contact information about – saying it was not of my business and she could not divulge since it was not part of my closing?



AUGUST 27TH 2008

ALLEGEDLY "CORRECTING" AN ERROR 8 DAYS BEFORE IT COULD HAVE POSSIBLY BEEN DISCOVERED?

I was presented with the CLOSING AGREEMENT AND ESCROW INSTRUCTIONS which contained no mention of a Second Commitment for Title Insurance and instead referenced the Preliminary Commitment for Title Insurance.

Title Insurance. The closing agent is instructed to obtain and forward to the parties a preliminary commitment for title insurance on the property and any other parcel of real property that will be used to secure payment of any obligation created in the transaction (referred to herein as "the title report"). The closing agent is authorized to rely on the title report in the performance of its duties and shall have no responsibility or liability for any title defects or encumbrances which are not disclosed in the title report.

ADDITIONAL AGREEMENTS, INSTRUCTIONS AND DISCLOSURES:

I HAVE HAD ADEQUATE TIME AND OPPORTUNITY TO READ AND UNDERSTAND THESE INSTRUCTIONS AND ALL OTHER EXISTING DOCUMENTS REFERRED TO IN THE INSTRUCTIONS.

PEACEFUL LIVING PROPERTIES, LLC
Wendelin Dunlap, Member

REGAL HOSPITALITY LLC
Robert V. Morand, Member Date

J. Michael Keenan, Member Date

Guy Davidson, Member Date

Why was the Second Commitment for Title Insurance not mentioned under "Additional Agreements"? I signed confirming adequate time to review the Preliminary Commitment for Title Insurance referred to above.

AUGUST 27TH 2008

WHY NOT REFER TO THE ALLEGED "CORRECT" DOCUMENT?

I was presented with the SUPPLEMENT TO CLOSING AGREEMENT AND ESCROW INSTRUCTIONS which contained no mention of an alleged Second Commitment for Title Insurance and instead only referenced the Preliminary Commitment for Title Insurance.

SUPPLEMENT TO
CLOSING AGREEMENT AND ESCROW INSTRUCTIONS
For Purchase and Sale Transaction
Including Instructions to Record Documents and Disburse Funds

This is a part of the Closing Agreement and Escrow Instructions signed by the parties under the Closing Agent's escrow file number set forth above. Except as expressly modified, changed or amended by this supplement, all terms and any previous supplements, additions or amendments thereto, shall remain in effect.

THE SELLER HAS APPROVED, SIGNED AND DEPOSITED THE FOLLOWING DOCUMENTS WITH THE CLOSING AGENT UNDER THESE INSTRUCTIONS:

Statutory Warranty Deed
Excise Tax Affidavit
Form 1099

THE PURCHASER HAS APPROVED, SIGNED AND DEPOSITED THE FOLLOWING DOCUMENTS WITH THE CLOSING AGENT UNDER THESE INSTRUCTIONS:

Excise Tax Affidavit

BY SIGNING THIS DOCUMENT, EACH PARTY ACKNOWLEDGES:

Conditions of Parties' Agreement Satisfied. All terms and conditions of the parties' agreement have been met to my satisfaction, or will be met, satisfied or complied with outside of escrow.

Title Report Approved. The Preliminary Commitment for Title Insurance, including legal description of the property and all attachments, supplements and endorsements to that report, issued by CHICAGO TITLE COMPANY - ISLAND DIVISION under Order No. IC46168, are approved by me and made a part of these instructions by this reference.

Settlement Statement Approved. The settlement statement prepared by the closing agent is approved by me, made a part of these instructions by this reference, and I agree to pay all costs, expenses and other obligations itemized on that statement. I understand that any estimated amounts will be adjusted to reflect the exact amounts required when the funds are disbursed, that the settlement statement continues to be subject to audit at any time, and if any monetary error is found, the amount will be paid by the party liable for such payment to the party entitled to receive it.

AUGUST 27TH 2008

WHY NOT REFER TO THE ALLEGED "CORRECT" DOCUMENT?

The sellers and I were required to initial provision 3 thus specifically and inextricably reiterating that we are accepting this contract based on the Preliminary Commitment for Title Insurance which contained the numeral 7 in the legal description which denoted 3,000 sq ft of commercial property.

3. A policy of title insurance issued pursuant to the Preliminary Commitment for Title Insurance referred to above, insuring the buyer with liability of $550,000.00, having the usual clauses, provisions and stipulations customarily contained in the printed provisions and schedules of such policy forms, insuring the buyer's title to the property against all defects or encumbrances except those set forth in the printed exceptions and exclusions customarily contained in the printed provisions and schedules of such policy forms, matters attaching by, through or under the buyer, taxes not yet due and the matters set forth in the following numbered paragraphs of Schedule B of the Preliminary Commitment for Title Insurance: , and Buyer is aware of encroachment of building onto adjacent property.

4. Such other policies of title insurance as may be required by any lenders that are providing financing in the transaction.

Completion or Correction of Documents. The closing agent is instructed to correct any errors found in any document deposited under these instructions, and to insert as necessary the closing date on which interest begins to accrue, and the dates on which payments must be made, if such items are incomplete.

Thus, I have "no doubt" the deed that was created and executed EXCLUDING LOT 7 (3,000 sq ft of property) IS DEFECTIVE PURSUANT TO THAT CLAUSE.

BY SIGNING THIS DOCUMENT, EACH PARTY ACKNOWLEDGES:
The closing agent has not offered any legal advice or referred me to any named attorney, but has clearly requested that I seek independent legal counsel if I have any doubt concerning the transaction or these instructions.
I have had adequate time and opportunity to read and understand these instructions and all other documents referred to in these instructions.

PEACEFUL LIVING PROPERTIES, LLC
BY: Wendelin Dunlap, Member

AUGUST 27TH 2008

WHY NOT REFER TO THE ALLEGED "CORRECT" DOCUMENT?

Excise Tax Document

All areas were not completed and should NOT have been accepted

*

If the defense intended to execute a "partial" sale of property – why not admit it here? (perjury)

*

Sloppy document preparation - "Pleasant" rather than Peaceful

*

Full Tax Parcel w/o reference to "partial"

*

Full "common name" without any mention of "partial"

*

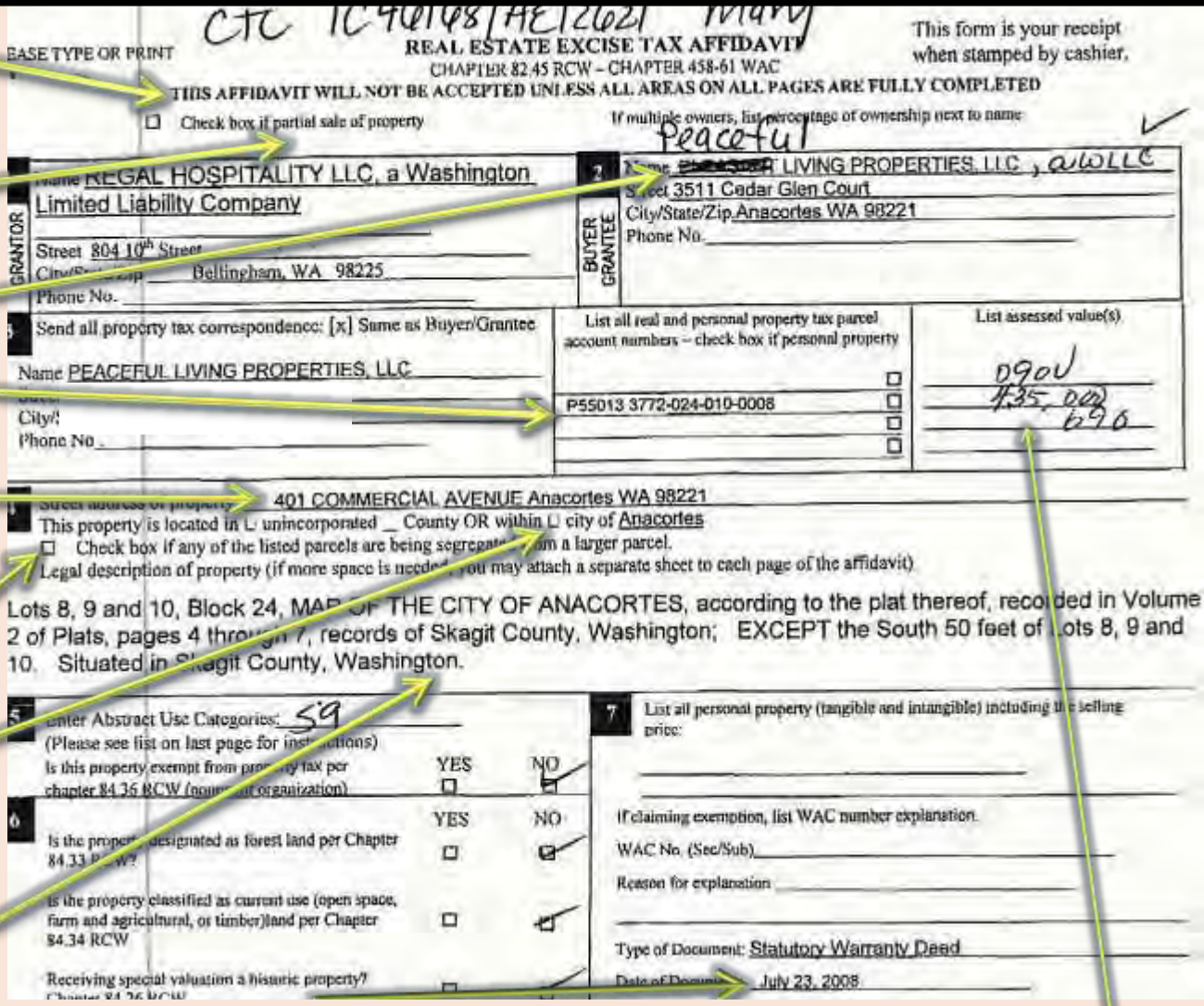
The defense alleges that they were trying to sell me a portion of a larger recorded tax parcel but did not check the box

*

"City of Anacortes" should have been checked

*

No mention of "partial" as in the Purchase agreement & just removed "7" making it partial but not checking appropriate boxes to inform me



REAL ESTATE EXCISE TAX AFFIDAVIT

CHAPTER 82.45 RCW – CHAPTER 458-61 WAC

This form is your receipt when stamped by cashier.

THIS AFFIDAVIT WILL NOT BE ACCEPTED UNLESS ALL AREAS ON ALL PAGES ARE FULLY COMPLETED

Check box if partial sale of property

If multiple owners, list percentage of ownership next to name

GRANTOR: REGAL HOSPITALITY LLC, a Washington Limited Liability Company

Street 804 10th Street

Bellingham, WA 98225

Phone No.

BUYER GRANTEE: Peaceful LIVING PROPERTIES, LLC, a WA LLC

Street 3511 Cedar Glen Court

City/State/Zip Anacortes WA 98221

Phone No.

Send all property tax correspondence: [x] Same as Buyer/Grantee

Name PEACEFUL LIVING PROPERTIES, LLC

City/

Phone No.

List all real and personal property tax parcel account numbers – check box if personal property

P55013 3772-024-010-0008

List assessed value(s)

D90V

1,35,000

690

401 COMMERCIAL AVENUE Anacortes WA 98221

This property is located in ☐ unincorporated __ County OR within ☐ city of Anacortes

☐ Check box if any of the listed parcels are being segregated from a larger parcel.

Legal description of property (if more space is needed, you may attach a separate sheet to each page of the affidavit)

Lots 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof, recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington; EXCEPT the South 50 feet of Lots 8, 9 and 10. Situated in Skagit County, Washington.

5 Enter Abstract Use Categories: 59 (Please see list on last page for instructions)

Is this property exempt from property tax per chapter 84.36 RCW (nonprofit organization)? YES ☐ NO ☑

6 Is the property designated as forest land per Chapter 84.33 RCW? YES ☐ NO ☑

Is the property classified as current use (open space, farm and agricultural, or timber)land per Chapter 84.34 RCW ☐ ☑

Receiving special valuation a historic property? Chapter 84.26 RCW ☐ ☑

7 List all personal property (tangible and intangible) including the selling price:

If claiming exemption, list WAC number explanation.

WAC No. (Sec/Sub)

Reason for explanation

Type of Document: Statutory Warranty Deed

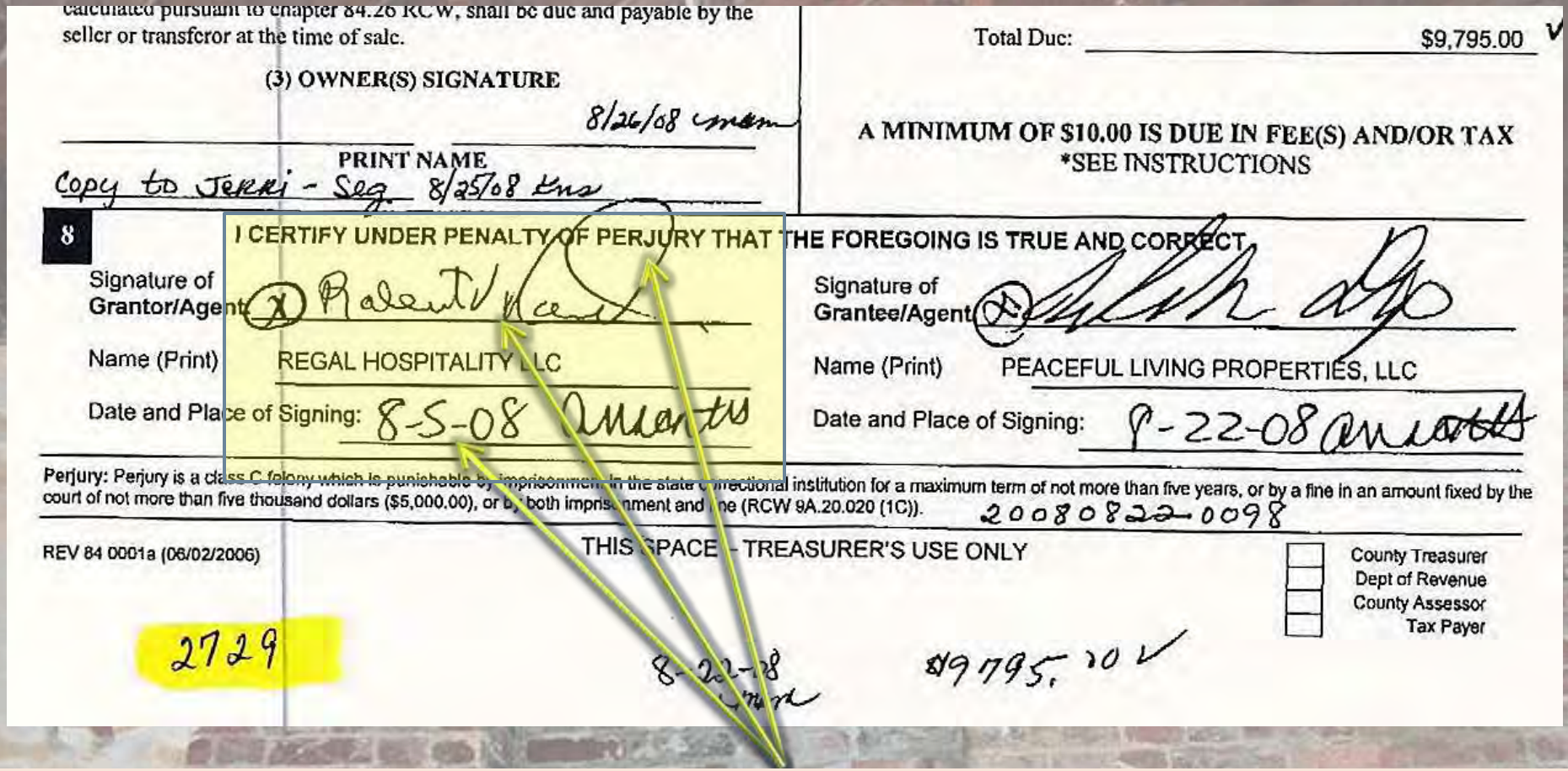
Date of Document: July 23, 2008

Dated 1 day after I received the Commitment representing the full tax parcel & 28 days before I noticed the error that allegedly precipitated the removal of 3000 sq ft of land * Full assessed value – not prorated for "partial"

AUGUST 27TH 2008

WHY DIDN'T THEY "ADMIT" TO SELLING A "PARTIAL" TAX PARCEL ON THE EXCISE TAX DOCUMENT?

Excise Tax Document



calculated pursuant to chapter 84.26 RCW, shall be due and payable by the seller or transferor at the time of sale.

(3) OWNER(S) SIGNATURE

8/26/08 mm

PRINT NAME

Copy to Jerri - Seq. 8/25/08 tms

Total Due: $9,795.00 V

A MINIMUM OF $10.00 IS DUE IN FEE(S) AND/OR TAX
*SEE INSTRUCTIONS

8

I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT

Signature of Grantor/Agent: X Robert V Morand

Name (Print): REGAL HOSPITALITY LLC

Date and Place of Signing: 8-5-08 Quincy

Signature of Grantee/Agent: X

Name (Print): PEACEFUL LIVING PROPERTIES, LLC

Date and Place of Signing: 8-22-08 Quincy

Perjury: Perjury is a class C felony which is punishable by imprisonment in the state correctional institution for a maximum term of not more than five years, or by a fine in an amount fixed by the court of not more than five thousand dollars ($5,000.00), or by both imprisonment and fine (RCW 9A.20.020 (1C)).

20080822-0098

REV 84 0001a (06/02/2006)

THIS SPACE - TREASURER'S USE ONLY

County Treasurer
Dept of Revenue
County Assessor
Tax Payer

2729

8-22-08 mm

$9795.00 V

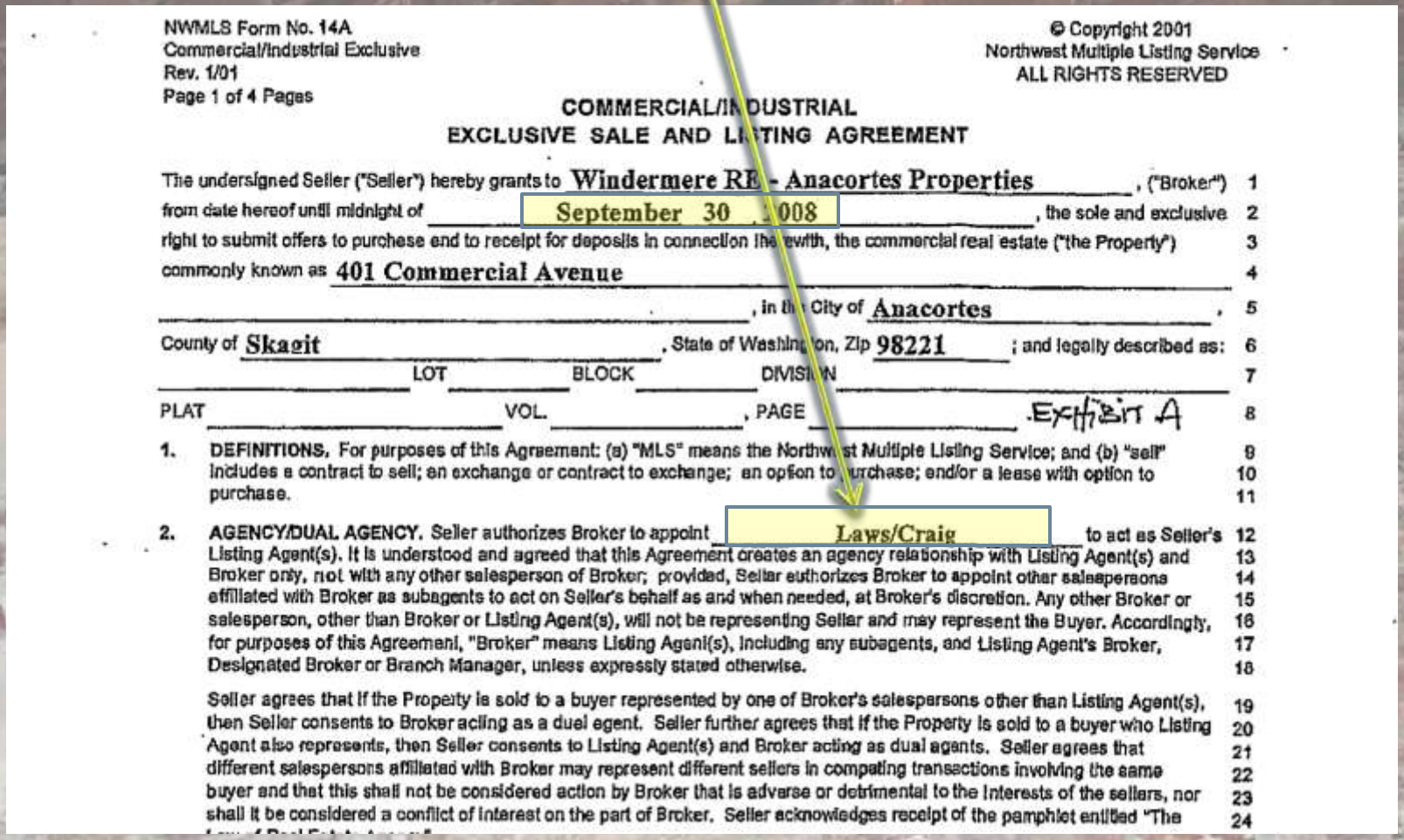
Even though the document was filled out fraudulently and dated 16 days before I noticed the error that allegedly precipitated the removal of 3000 sq ft of land, Robert Morand signed this document as being correct and I signed having been duped by the intentional exclusions and fraudulent misrepresentations.

AUGUST 27TH 2008

WHY DIDN'T THEY "ADMIT" TO SELLING A "PARTIAL" TAX PARCEL ON THE EXCISE TAX DOCUMENT?

I Was Informed for the 1ST Time that:

3. My agents Laws/Craig were alleged by the defense to be the "EXCLUSIVE LISTING AGENTS FOR THE PROPERTY" – even though they never disclosed it to me.



NWMLS Form No. 14A
Commercial/Industrial Exclusive
Rev. 1/01
Page 1 of 4 Pages

© Copyright 2001
Northwest Multiple Listing Service
ALL RIGHTS RESERVED

COMMERCIAL/INDUSTRIAL
EXCLUSIVE SALE AND LISTING AGREEMENT

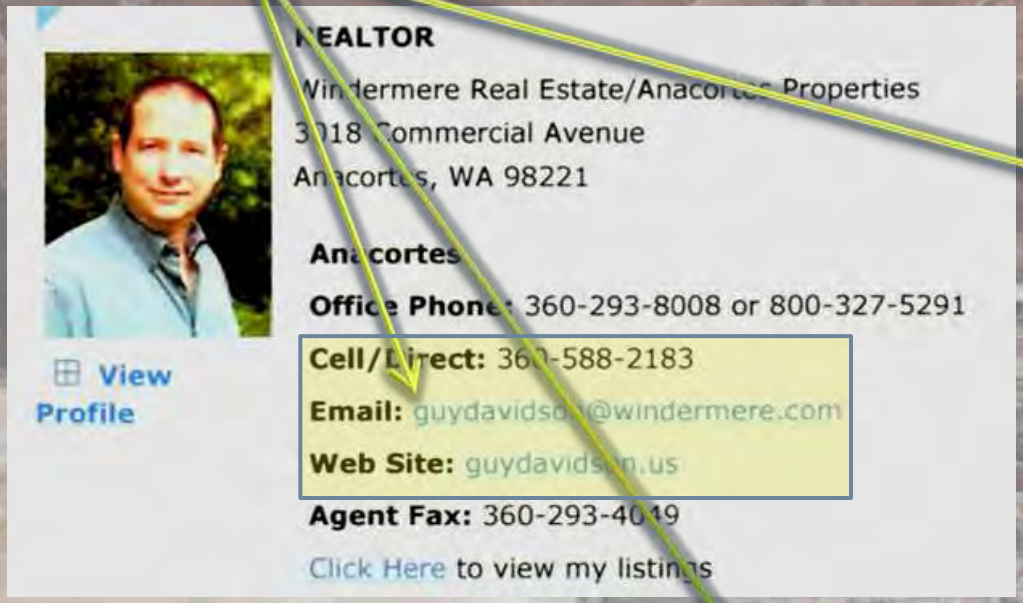
The undersigned Seller ("Seller") hereby grants to Windermere RE - Anacortes Properties, ("Broker") from date hereof until midnight of September 30, 2008, the sole and exclusive right to submit offers to purchase and to receipt for deposits in connection therewith, the commercial real estate ("the Property") commonly known as 401 Commercial Avenue, in the City of Anacortes, County of Skagit, State of Washington, Zip 98221; and legally described as: LOT BLOCK DIVISION PLAT VOL. PAGE Exhibit A

1. **DEFINITIONS.** For purposes of this Agreement: (a) "MLS" means the Northwest Multiple Listing Service; and (b) "sell" includes a contract to sell; an exchange or contract to exchange; an option to purchase; and/or a lease with option to purchase.

2. **AGENCY/DUAL AGENCY.** Seller authorizes Broker to appoint Laws/Craig to act as Seller's Listing Agent(s). It is understood and agreed that this Agreement creates an agency relationship with Listing Agent(s) and Broker only, not with any other salesperson of Broker; provided, Seller authorizes Broker to appoint other salespersons affiliated with Broker as subagents to act on Seller's behalf as and when needed, at Broker's discretion. Any other Broker or salesperson, other than Broker or Listing Agent(s), will not be representing Seller and may represent the Buyer. Accordingly, for purposes of this Agreement, "Broker" means Listing Agent(s), including any subagents, and Listing Agent's Broker, Designated Broker or Branch Manager, unless expressly stated otherwise.

Seller agrees that if the Property is sold to a buyer represented by one of Broker's salespersons other than Listing Agent(s), then Seller consents to Broker acting as a dual agent. Seller further agrees that if the Property is sold to a buyer who Listing Agent also represents, then Seller consents to Listing Agent(s) and Broker acting as dual agents. Seller agrees that different salespersons affiliated with Broker may represent different sellers in competing transactions involving the same buyer and that this shall not be considered action by Broker that is adverse or detrimental to the interests of the sellers, nor shall it be considered a conflict of interest on the part of Broker. Seller acknowledges receipt of the pamphlet entitled "The

Guy Davidson was represented as the listing agent on all advertisements I saw.



14	Q	Okay. And did Laws or Craig, the exclusive listing
15		agents, ever post any for sale signs on their own that
16		you're aware of?
17	A	I don't believe so.

Interestingly, Laws/Craig Were On and Off as Exclusive Listing Agents Many Times…

NWMLS Form No. 14A
Commercial/Industrial Exclusive
Rev. 1/01
Page 1 of 4 Pages

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COMMERCIAL/INDUSTRIAL
EXCLUSIVE SALE AND LISTING AGREEMENT

The undersigned Seller ("Seller") hereby grants to Windermere RE - Anacortes Properties ("Broker") from date hereof until midnight of September 30 2006, the sole and exclusive right to submit offers to purchase and to receipt for deposits in connection therewith, the commercial real estate ("the Property") commonly known as 401 Commercial Avenue, in the City of Anacortes, County of Skagit, State of Washington, Zip 98221; and legally described as: LOT BLOCK DIVISION PLAT VOL. PAGE.

1. DEFINITIONS. For purposes of this Agreement: (a) "MLS" means the Northwest Multiple Listing Service; and (b) "sell" includes a contract to sell; an exchange or contract to exchange; an option to purchase; and/or a lease with option to purchase.

2. AGENCY/DUAL AGENCY. Seller authorizes Broker to appoint Laws/Craig to act as Seller's Listing Agent(s). It is understood and agreed that this Agreement creates an agency relationship with Listing Agent(s) and

LN: 111701 401 Commercial Ave Anacortes 98221 Skag ST: Expired
LT: BLK: COM: Anacortes
AR: 815 MAP: 83 GRD: E-1 Internet:Yes
DD: North on Comercial to corner of 4th Street
LO: Windermere RE Anacortes Prop. (ID: 8640) Phone: 360-293-6008
LAG: Colleen L Craig(ID: 34988) Phone:360-293-6008
CLO: Windermere RE Anacortes Prop. (ID: 8640) Phone: 360-293-6008
CLA: Meredith Laws (ID: 33760) Phone:360-293-6008
Agt Fax: 360-293-4048
OTVP: OWN: Regal Hospitality LI
PTS: 360-770-1620 OPH: 360-299-1400 OAD: Anacortes, WA
POS: Closing, Negotiable
KEY: Appointment, See Remarks
HOD: YBT: 1900 STY: 60-Comm Bldg Und 10K VAL: 173300 VAI: 97000 TAV: 270300 TRM: Cash Out, Conventional
OSF: 3419 WSF: 3419 SIZ: 3419 YVA: 2005 FAC: No SWR: Sewer Connected
ACR: 0.172 LSF: 7500 LSZ: STF: ENV: No EXA: No DLT: BON: No PAD: No LTV: Level AVP:
TXY: 2005 TX$ 2640 INS$ WSG$ ELEX$ HET$ OTX$ TEX$
GS$ VAC% GAI$ EXP$ NOI$ CAP% GRM%

Notice that the legal description has been left blank in this Listing Agreement Executed on 07/10/06 and Expiring 09/30/06. The listing notes the legal description for the 7,500 sq ft "on file in listing office" but it has yet to be supplied to me.

Unit Number
Lease Expiration
Type of use retail
Est.
NNN/Month
APPROX. Sq Ft 1700
Base Rent/Mo.

Unit Number
Lease Expiration
Type of use retail
Est.
NNN/Month
APPROX. Sq Ft 1700
Base Rent/Mo.

Legal Description : On file in Listing Office

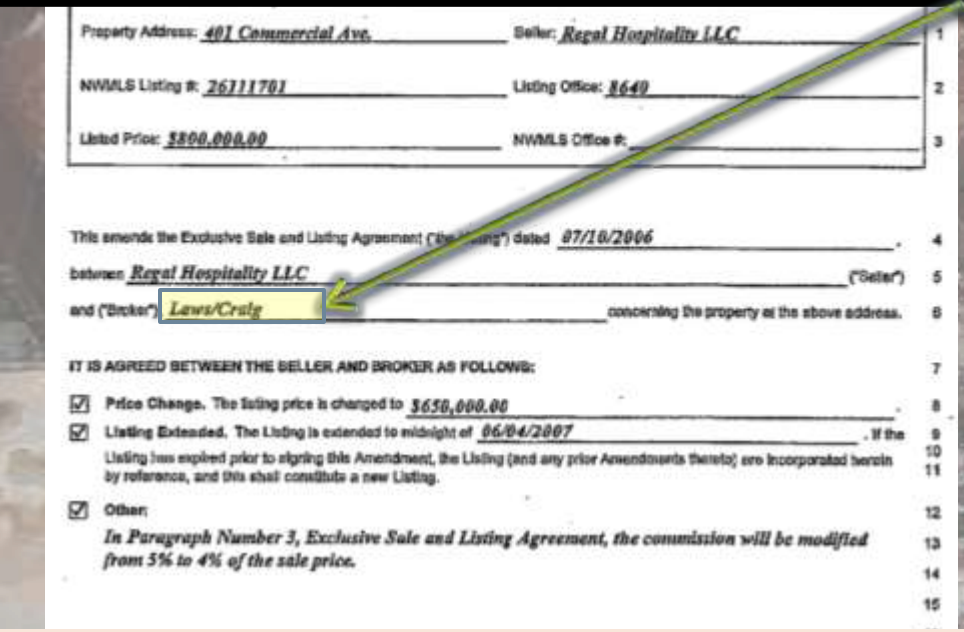
Agent Only Remarks : Please use Chicago Title, prelim title ordered. Call PTS, must have appointment to show.

Marketing Remarks : This property is at a prime location in Historic Downtown Anacortes. Next door to the Majestic Inn courtyard and gardens at the corner of 4th and Commercial. Zoning is CBD which allows retail, offices, multi-family, restaurant, hotels, financial institutions, galleries or other similar commercial uses.

AUGUST 27TH 2008

WHO IS REALLY RUNNING THE "SHOW" AT WINDERMERE ANACORTES?

The listing appears to have been listed with Laws/Craig on 04/04/06 and then transferred the to Nate Scott the same day.

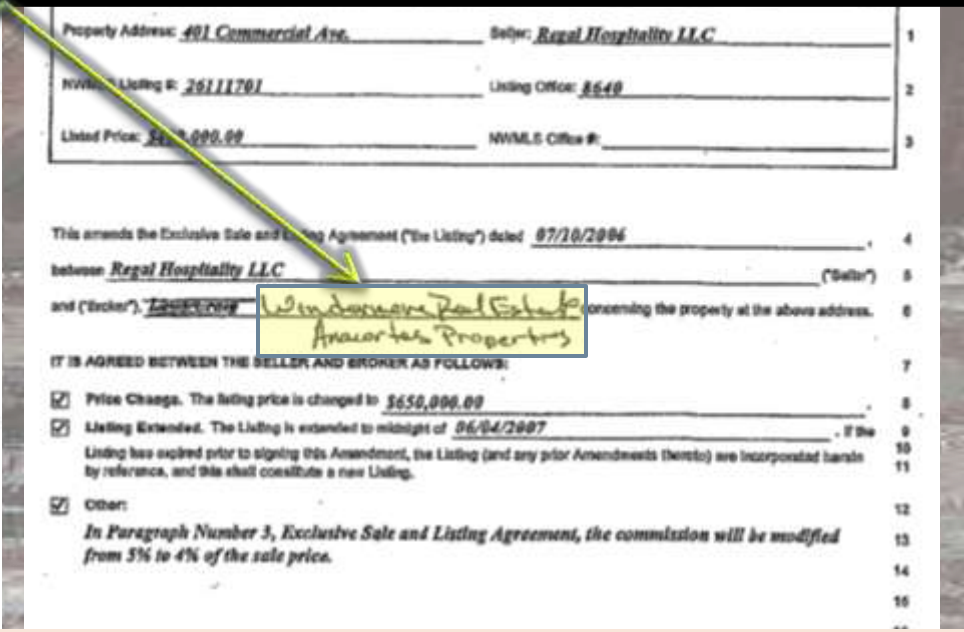


Property Address: 401 Commercial Ave. Seller: Regal Hospitality LLC
NWMLS Listing #: 26111701 Listing Office: 8640
Listed Price: $800,000.00 NWMLS Office #:

This amends the Exclusive Sale and Listing Agreement ("the Listing") dated 07/10/2006.
between Regal Hospitality LLC ("Seller")
and ("Broker") Laws/Craig concerning the property at the above address.

IT IS AGREED BETWEEN THE SELLER AND BROKER AS FOLLOWS:

☑ Price Change. The listing price is changed to $650,000.00.
☑ Listing Extended. The Listing is extended to midnight of 06/04/2007. If the Listing has expired prior to signing this Amendment, the Listing (and any prior Amendments thereto) are incorporated herein by reference, and this shall constitute a new Listing.
☑ Other:
In Paragraph Number 3, Exclusive Sale and Listing Agreement, the commission will be modified from 5% to 4% of the sale price.



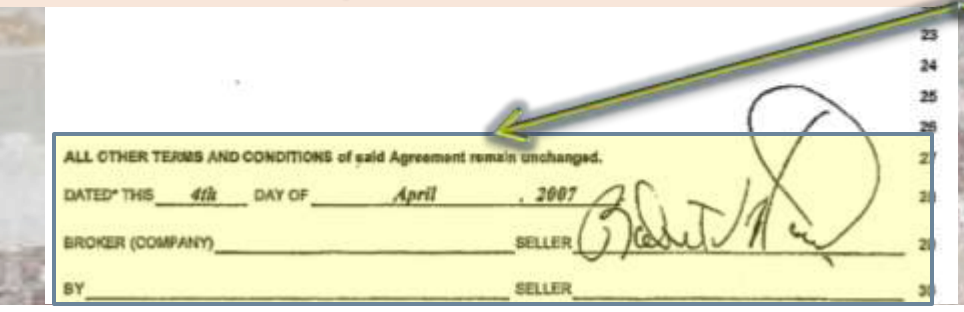
Property Address: 401 Commercial Ave. Seller: Regal Hospitality LLC
Listing #: 26111701 Listing Office: 8640
Listed Price: $800,000.00 NWMLS Office #:

This amends the Exclusive Sale and Listing Agreement ("the Listing") dated 07/10/2006.
between Regal Hospitality LLC ("Seller")
and ("Broker") Windermere Real Estate/ Anacortes Properties concerning the property at the above address.

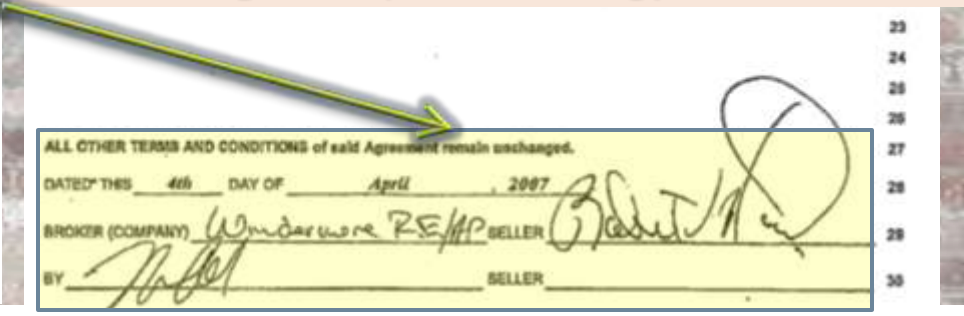
IT IS AGREED BETWEEN THE SELLER AND BROKER AS FOLLOWS:

☑ Price Change. The listing price is changed to $650,000.00.
☑ Listing Extended. The Listing is extended to midnight of 06/04/2007. If the Listing has expired prior to signing this Amendment, the Listing (and any prior Amendments thereto) are incorporated herein by reference, and this shall constitute a new Listing.
☑ Other:
In Paragraph Number 3, Exclusive Sale and Listing Agreement, the commission will be modified from 5% to 4% of the sale price.

The defense purports that the listing was again transferred from Laws/Craig after mutual acceptance on 07/07/08 to avoid Laws/Craig having to be dual agents – why was it transferred this time (and not signed by Laws/Craig)?



ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.
DATED THIS 4th DAY OF April, 2007
BROKER (COMPANY) SELLER
BY SELLER



ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.
DATED THIS 4th DAY OF April, 2007
BROKER (COMPANY) Windermere RE/AP SELLER
BY SELLER

AUGUST 27TH 2008

WHO IS REALLY RUNNING THE "SHOW" AT WINDERMERE ANACORTES?

Notice that the legal description has NOT been left blank in this Listing Agreement Executed on 04/21/08 and Expiring 09/30/08.

NWMLS Form No. 14A
Commercial/Industrial Exclusive
Rev. 1/01
Page 1 of 4 Pages

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ALL RIGHTS RESERVED

COMMERCIAL/INDUSTRIAL
EXCLUSIVE SALE AND LISTING AGREEMENT

The undersigned Seller ("Seller") hereby grants to Windermere RE - Anacortes Properties, ("Broker") from date hereof until midnight of September 30, 2008, the sole and exclusive right to submit offers to purchase and to receipt for deposits in connection therewith, the commercial real estate ("the Property") commonly known as 401 Commercial Avenue, in the City of Anacortes, County of Skagit, State of Washington, Zip 98221; and legally described as:

LOT _____ BLOCK _____ DIVISION _____
PLAT _____ VOL. _____, PAGE _____ Exhibit A

1. **DEFINITIONS.** For purposes of this Agreement: (a) "MLS" means the Northwest Multiple Listing Service; and (b) "sale" includes a contract to sell; an exchange or contract to exchange; an option to purchase; and/or a lease with option to purchase.

2. **AGENCY/DUAL AGENCY.** Seller authorizes Broker to appoint Laws/Craig to act as Seller's Listing Agent(s). It is understood and agreed that this Agreement creates an agency relationship with Listing Agent(s) and Broker only, not with any other salesperson affiliated with Broker as subagents to act

Exhibit A

Legal Description:

401 Commercial Ave.

Parcel P55013(partial):

Lots 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington. EXCEPT The South 50 feet of lots 8, 9 and 10. Situated in Skagit County, Washington.

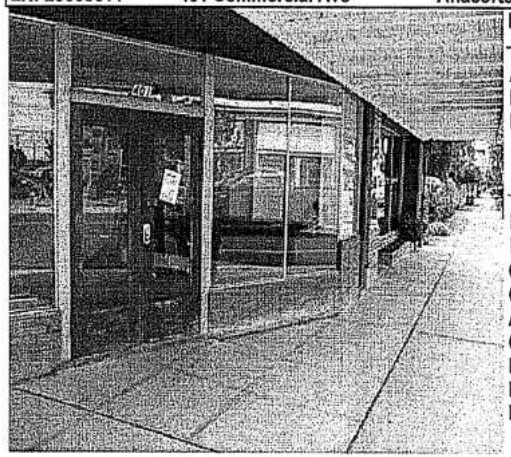
I Was Informed for the 1ST Time that:

4. My Purchase Agreement was allegedly drafted from a 2nd listing for the property (CONTAINING 4500 SQ FT LESS LAND) even though it was never represented to me before closing, not included as part of the Purchase Agreement & not made available to the public.

Commercial/Indrl. Agent Detail Report

Listings as of 07/07/08 at 4:34pm

LN: 28068614 | 401 Commercial Ave | Anacortes | 98221 | Ska | ST: Pending Feasibility | CDOM: 77 | LP: 600,000



LT: BLK: COM: Anacortes

AR: 815 TAX: P55013 OPL$: 650,000
MAP: 79 GRD: E- Internet: Yes FIN: Cash SP$:
DD: North on Commerc l to corner of 4th Street OMD: 07/07/08
LD: 04/21/08
XD: 09/30/08
SLDT: 00/00/00

LO: Windermere RE Anacor s Prop. (ID: 8640) Phone: 360-293-8008
LAG: Nate Scott(ID: 18512) Ph ne: SOC: 2.5%
CLO:
CLA: PTO: Yes F17: Provided
Agt Fax: 360-293-4049
OTVP: OWN: Regal Hospitality Ll
PTS: 360-770-1820 OPH: 360-29 -1400 OAD: Anacortes, WA PHO:
POS: Closing, Negotiable
KEY: Appointment, See Remarks

HOD:		OSF:	3419	ACR:	0.103	TXY:	2008	TX$	3526
YBT:	1900	WSF:	3419	LSF:	4500			INS$	
STY:	60-Comm Bldg Und 10K	SIZ:	3419	LSZ:	50x90			WSG$	
VAL:	180000	YVA:	2008	STF:	50 ENV: No	EXA:	No	ELEX$	
VAI:	135000	FAC:	No	DLT:	90 BON: No	PAD:	No	HET$	
TAV:	315000	SWR:	Sewer Connected	LTV:	Level	AVP:		OTX$	
TRM:	Cash Out, Conventional							TEX$	

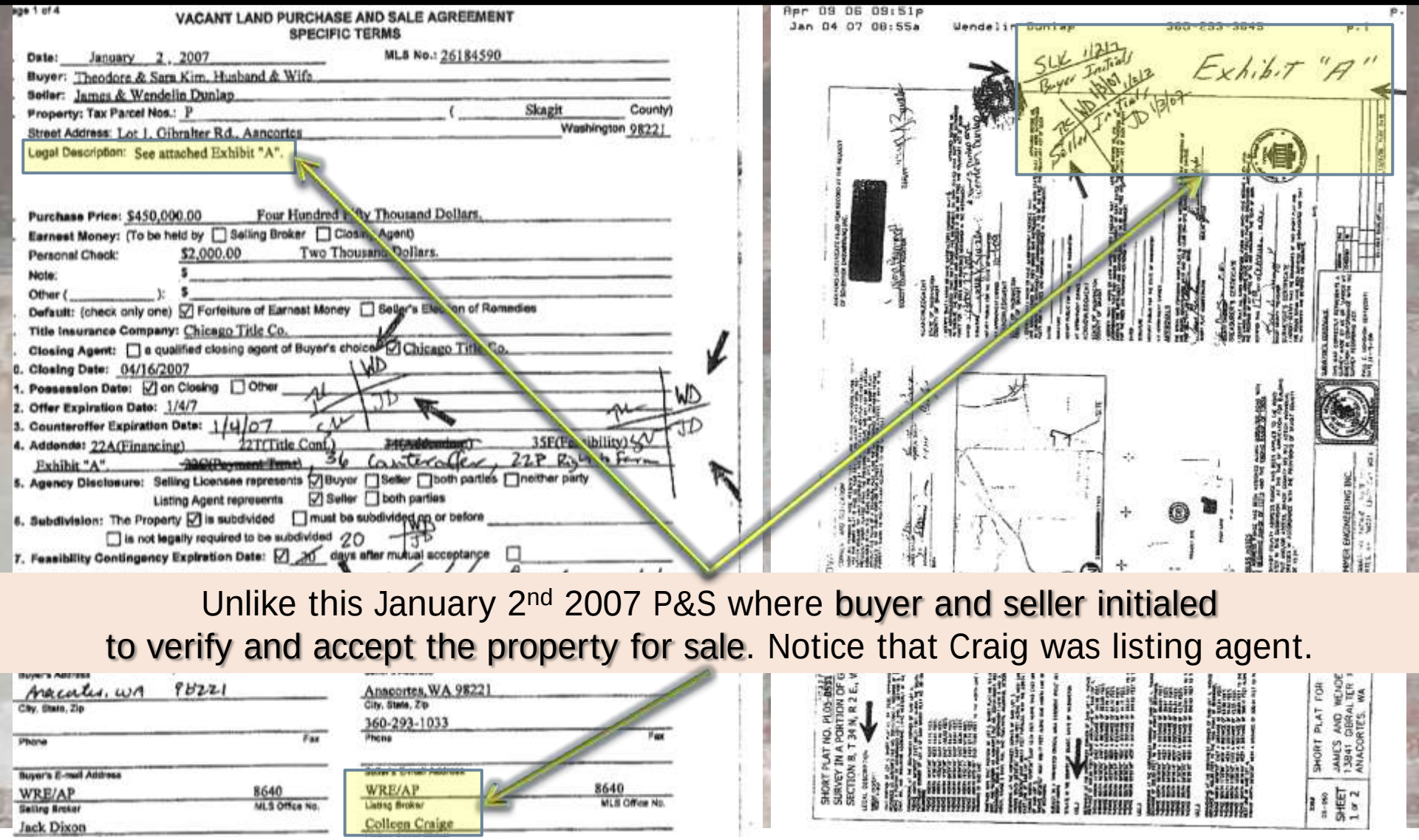
GSI$ VAC% GAI$ EXP$ NOI$ CAP% GRM%

PKU:	CSP:	BDC:	FND:	Poured Concrete	EXT:	Brick, Stucco
PKC:	CHT:	AMP:	RF:	Flat, Torch Down	LDG:	
GZC:	Business, Commercial, Office, Retail				ENS:	Electric, Natural Gas
ZJD:	City	FLS:	Vinyl		HTC:	Forced Air
CFE:						

AUGUST 27TH 2008

BAIT AND SWITCH?

As a Matter of Fact, No Copy of the Listing, Copy of the Deed or Official Representation of the Property Was Included as Part of the 401 Purchase Agreement.



Unlike this January 2nd 2007 P&S where buyer and seller initialed to verify and accept the property for sale. Notice that Craig was listing agent.

AUGUST 27TH 2008

BAIT AND SWITCH?

When the legal description changed during this transaction, Laws/Craig represented it very clearly…they pointed out the legal description in my survey – unlike "ignoring" my survey that "did not represent what was for sale at 401 Commercial"

Page 1 of 1

ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated January 2,2007

between KIM ("Buyer")

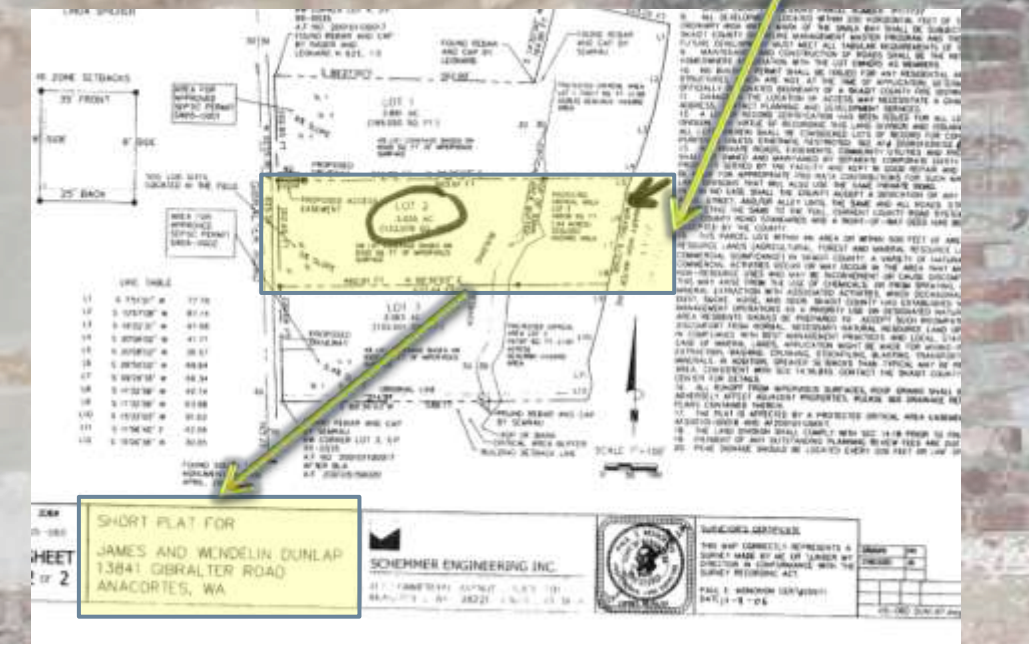
and DUNLAP ("Seller")

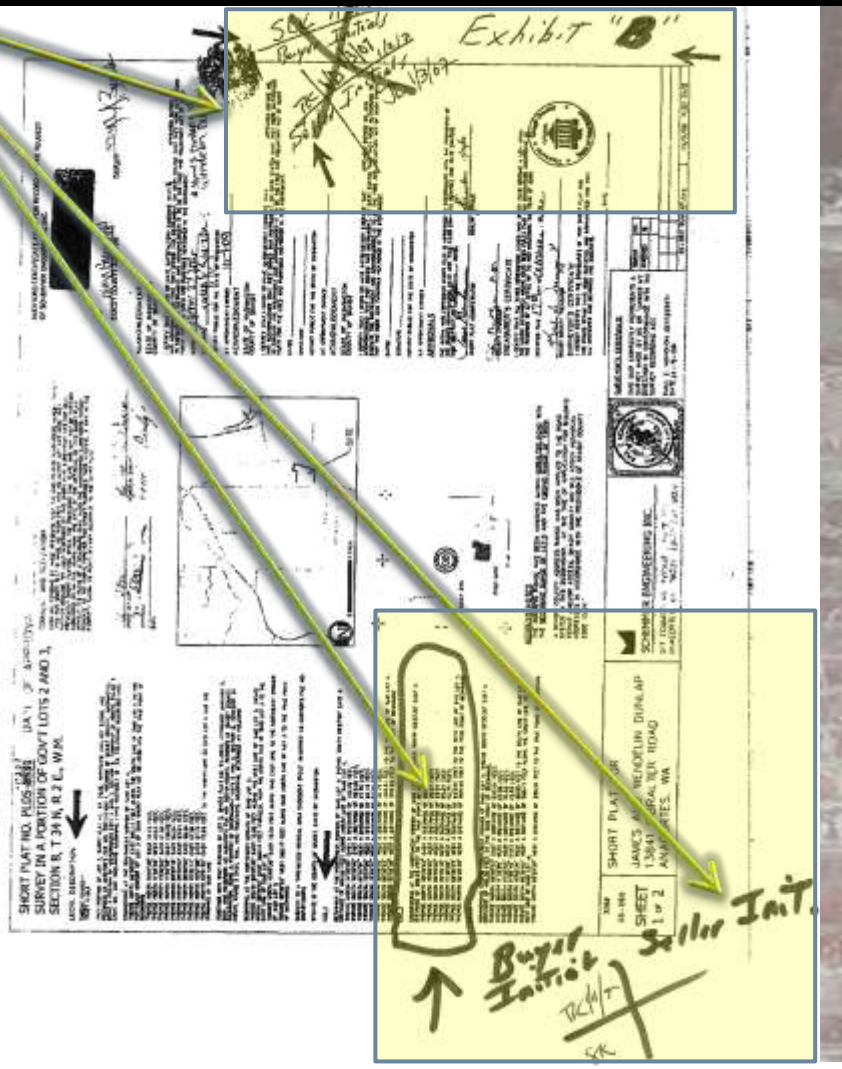
concerning Lot 1, Gibralter Road, Anacortes,WA ("the Property")

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

The following changes for above mentioned Purchase & Sale Agreeement are:

1) New Multiple Listing Number is; 26184610
2) New purchase price to be $465,500.00 (Four Hundred Sixty Five Thousand Five Hundred Dollars).
3) Legal Description to be changed to Lot 2 as per attached Exhibit "B" and including attached plat map for Lot 2, Short Plat No. PL05-0351.





AUGUST 27TH 2008

BAIT AND SWITCH?

In this May 26th 2007 transaction with Laws/Craig the listing was included in the Purchase Agreement in addition to Exhibit A and initialed by the buyer and seller.

NWMLS Form 25
Vacant Land Purchase & Sale
Revised 6/06
Page 1 of 4

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VACANT LAND PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

1. Date: May 26, 2007 MLS No.: 26184590
2. Buyer: Deborah A. Blunt & William J. Mendum
3. Seller: Dunlap
4. Property: Tax Parcel Nos.: Not Assigned (Skagit County)
   Street Address: NHN Gibralter, Anacortes Washington 98221
   Legal Description: Attached as Exhibit A
5. Purchase Price: $425,000.00 Four Hundred Twenty Five Thousand Dollars & No/100---
6. Earnest Money: (To be held by ☐ Selling Broker ☑ Closing Agent)
   Personal Check: $5,000.00
   Note: $
   Other ( ): $
7. Default: (check only one) ☑ Forfeiture of Earnest Money ☐ Seller's Election of Remedies
8. Title Insurance Company: Land Title Co.
9. Closing Agent: ☐ a qualified closing agent of Buyer's choice ☑ Land Title Company
10. Closing Date: See Buyers Sale of Property Contingency (Form 22B)
11. Possession Date: ☑ on Closing ☐ Other
12. Offer Expiration Date: 05/29/2007
13. Counteroffer Expiration Date:
14. Addenda: 22B(Contingency) 35F(Feasibility) 42(Agency Dscl.): 22A(Financing)
15. Agency Disclosure: Selling Licensee represents ☑ Buyer ☐ Seller ☐ both parties ☐ neither party
    Listing Agent represents ☑ Seller ☐ both parties
16. Subdivision: The Property ☑ is subdivided ☐ must be subdivided on or before
    ☐ is not legally required to be subdivided
17. Feasibility Contingency Expiration Date: ☑ 20 days after mutual acceptance ☐

Buyer's Signature / Date: 5-26-07	Seller's Signature / Date: 5/26/07
Buyer's Signature / Date: 5-26-07	Seller's Signature / Date: 5/26/07
Buyer's Address: 20 Makah Way	Seller's Address:
City, State, Zip: LaConner, WA 98257	City, State, Zip:
Phone: 360-661-6396 Fax:	Phone: Fax:
Buyer's E-mail Address:	Seller's E-mail Address:
Selling Broker: Windermere RE/Anacortes Properties MLS Office No.: 8640	Listing Broker: WRE/AP MLS Office No.: 8640
Selling Licensee (Print): Debbie Macy	Listing Agent (Print): Meredith Laws/Colleen Craig
Phone: 360-293-8008 Fax: 360-293-4049	Phone: 360-293-8008 Fax: 360-293-4049

Vacant Land Agent Detail Report

Listings as of 05/25/07 at 10:58am

LN: 26184590 NHN Gibralter Anacortes 98221 Skag ST: Active LP: 448,500

LT: 1 BLK: COM: Gibralter PRJ: Smith View Estates

AR: 915 TAX: P123 OPLS: 450,000
MAP: 70 GRD: E-4 Internat: Yes FIN: SPS:
DD: South on Hwy 20 at Sharpes Corner, Left on Gibralter, Lot 1 is first sign south of Smith Highlands. OMD:
LD: 11/07/06
XD:
SLDT: 00/00/00

LO: Windermere RE Anacortes Prop. (ID: 8640) Phone: 360-293-8008 SOC: 2.5
LAO: Meredith Laws(ID: 33780) Phone:360-293-8008
CLO: Windermere RE Anacortes Prop. (ID: 8640) Phone: 360-293-8008
CLA: Colleen L Craig (ID: 34968) Phone:360-293-8008 PTO: Yes PT7: Not Provided
OTVP: OCC: OWN: Dunlap
OPH: 360-293-1033 OAD: Anacortes, WA PHO:
POS: Closing Agt Fax: 360-293-4049
TXY: 2006 TX: 4251 BNR: No ATF:
TRM: Cash Out, Conventional
TER: STY: 41-Res - 1 Acre +
ZJO: County RS2: CC&R, NO Manufactured Homes SKS: Y QTR: SEC:
ZNR: WRJ:

GZC: Residential

ACR: 2.00 LSF: 165525 LSZ: WFG:
DOC: CC&Rs, Drainage, Geotech, Topographical, Wetland Delineation
WFT: Bank-High, Ocean, Sound LDE: Paved Street
VEW: Bay, Mountain, Sound, Territorial
RD: RDI: Paved
IMP: Cable TV Available
FTR: Evergreens, Lightly Treed
TPO: Level SLP: LVL:

WTR: In Street, Available SFA: ESM:
GAS: In Street STD: SUR:
ELE: In Street SEP: SDA: SST:
SWR: Not Available SAP: SDD: SDX:

SD: Anacortes EL: JH: SH:

Legal Description: On file at LO. Shared driveway access with Lot 2.

Agent Only Remarks: Call listing agents for full info packet. New Parcel Numbers to be assigned.

Marketing Remarks: High bank waterfront acreage in Smith Bay Estates with incredible views of Smith Bay and Mount Baker. Mature cedars and maple trees adorn the huge level building site that offers privacy, tranquility and plenty of space for your beautiful, custom, waterview home. Easy access to Anacortes, Cell Hill and the Skagit Valley. All plat work is done - ready to build!

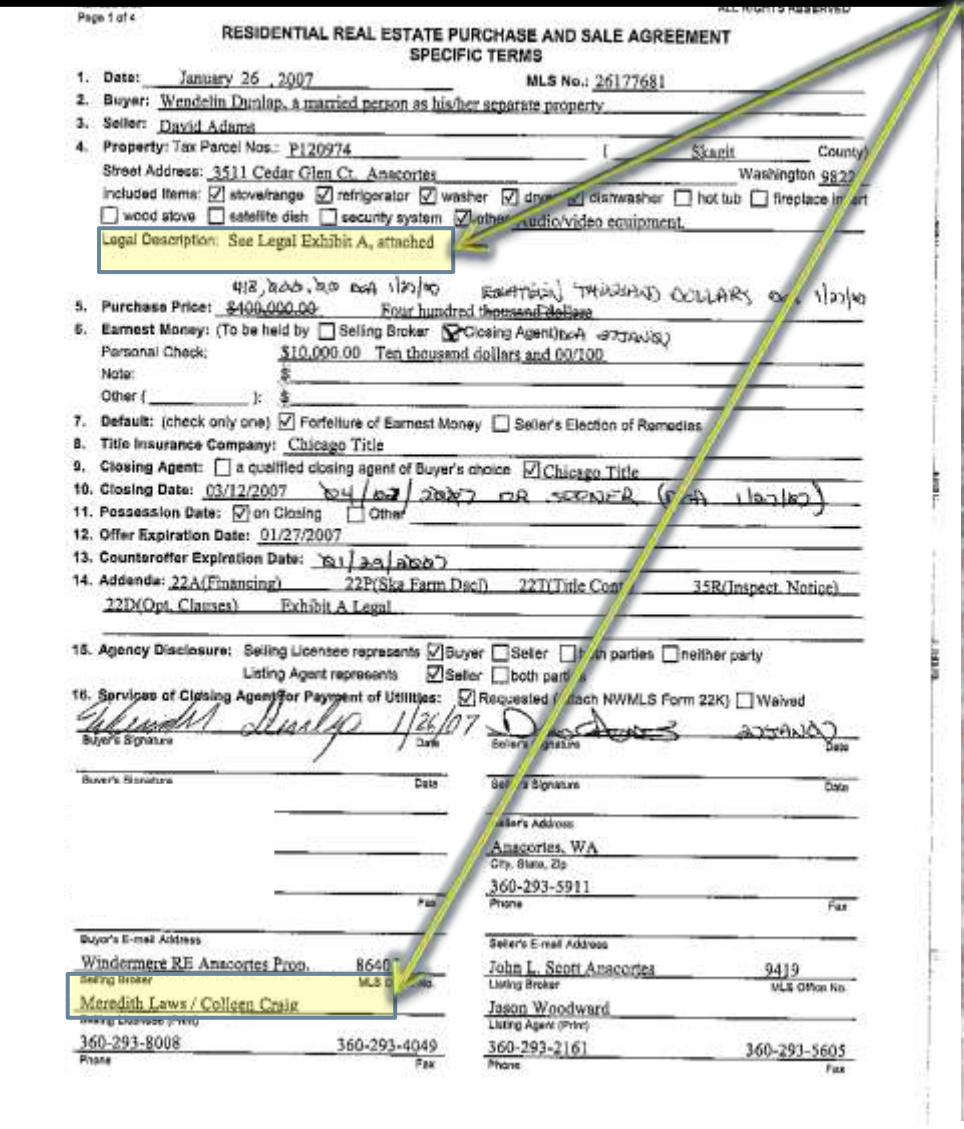
Presented By: Debbie Macy / Windermere RE Anacortes Prop.
Lot Sizes And Square Footage Are Estimates.
Information From Reliable Sources, But Not Guaranteed.
Copyright ©2007 Rapahoni Corporation. All rights reserved.

WJM WD
DDB JD

AUGUST 27TH 2008

BAIT AND SWITCH?

In this 01/26/07 transaction with Laws/Craig, a copy of the Deed was included as part of the Purchase Agreement in addition to Exhibit A and initialed by the buyer and seller.

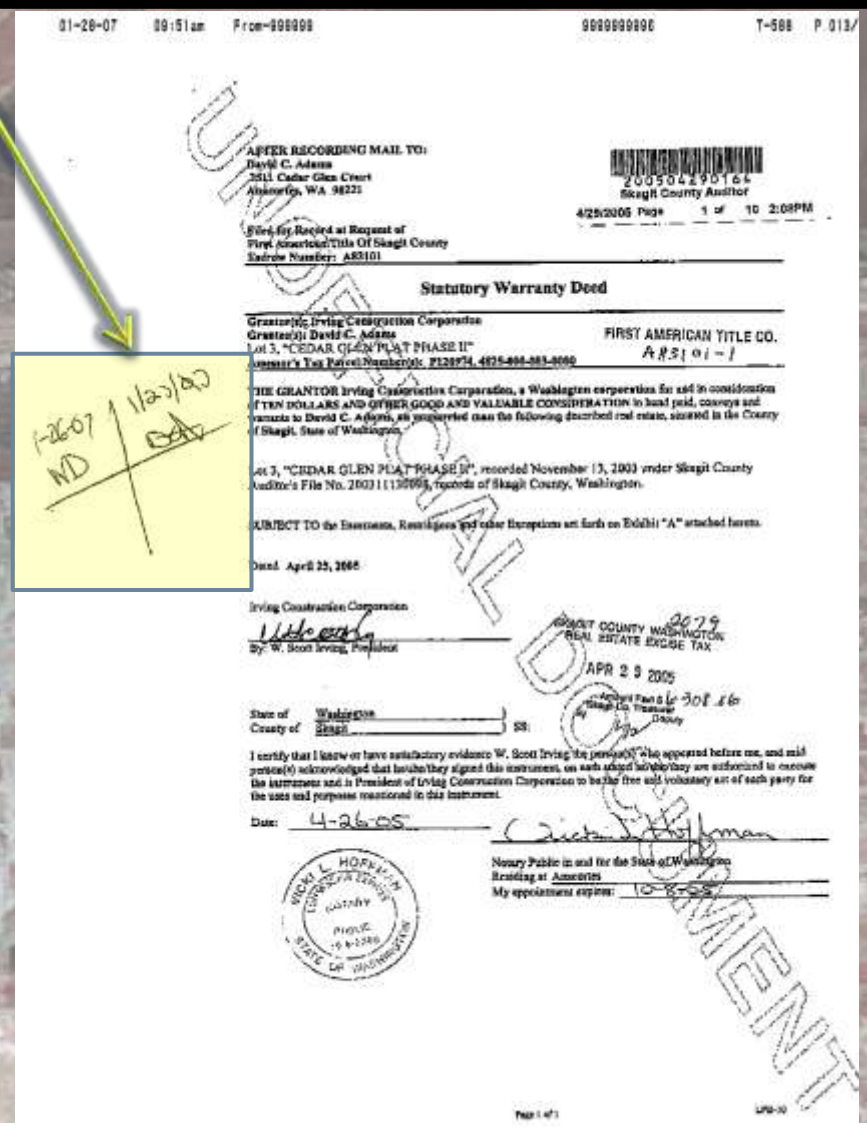


Page 1 of 4

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

1. Date: January 26, 2007 MLS No.: 26177681
2. Buyer: Wendelin Dunlap, a married person as his/her separate property
3. Seller: David Adams
4. Property: Tax Parcel Nos.: P120974 (Skagit County)
Street Address: 3511 Cedar Glen Ct. Anacortes Washington 9822
Included Items: ☑ stove/range ☑ refrigerator ☑ washer ☑ dryer ☑ dishwasher ☐ hot tub ☐ fireplace insert ☐ wood stove ☐ satellite dish ☐ security system ☑ other audio/video equipment.
Legal Description: See Legal Exhibit A, attached
5. Purchase Price: ~~$400,000.00~~ 418,000.00 DA 1/27/07 Four hundred ~~thousand dollars~~ EIGHTEEN THOUSAND DOLLARS DA 1/27/07
6. Earnest Money: (To be held by ☐ Selling Broker ☑ Closing Agent) DA 27JAN07
Personal Check: $10,000.00 Ten thousand dollars and 00/100
Note: $
Other ( ): $
7. Default: (check only one) ☑ Forfeiture of Earnest Money ☐ Seller's Election of Remedies
8. Title Insurance Company: Chicago Title
9. Closing Agent: ☐ a qualified closing agent of Buyer's choice ☑ Chicago Title
10. Closing Date: 03/12/2007 04/02/2007 OR SOONER (DA 1/27/07)
11. Possession Date: ☑ on Closing ☐ Other
12. Offer Expiration Date: 01/27/2007
13. Counteroffer Expiration Date: 01/29/2007
14. Addenda: 22A(Financing) 22P(Ska Farm Dscl) 22T(Title Cont) 35R(Inspect. Notice) 22D(Opt. Clauses) Exhibit A Legal
15. Agency Disclosure: Selling Licensee represents ☑ Buyer ☐ Seller ☐ both parties ☐ neither party
Listing Agent represents ☑ Seller ☐ both parties
16. Services of Closing Agent for Payment of Utilities: ☑ Requested (attach NWMLS Form 22K) ☐ Waived

Buyer's Signature 1/26/07 Date — Seller's Signature 27JAN07 Date
Buyer's Signature Date — Seller's Signature Date
Seller's Address: Anacortes, WA City, State, Zip
360-293-5911 Phone Fax
Buyer's E-mail Address: Windermere RE Anacortes Prop. 8640 Selling Broker MLS Office No.
Meredith Laws / Colleen Craig Selling Licensee (Print)
360-293-8008 Phone 360-293-4049 Fax
Seller's E-mail Address: John L. Scott Anacortes 9419 Listing Broker MLS Office No.
Jason Woodward Listing Agent (Print)
360-293-2161 Phone 360-293-5605 Fax



01-26-07 09:51am From-999999 9999999996 T-588 P.013/

AFTER RECORDING MAIL TO:
David C. Adams
3511 Cedar Glen Court
Anacortes, WA 98221

200504290166
Skagit County Auditor
4/25/2005 Page 1 of 10 2:08PM

Filed for Record at Request of
First American Title Of Skagit County
Escrow Number: A83101

Statutory Warranty Deed

Grantor(s): Irving Construction Corporation
Grantee(s): David C. Adams
Lot 3, "CEDAR GLEN PLAT PHASE II"
Assessor's Tax Parcel Number(s): P120974, 4025-000-003-0000

FIRST AMERICAN TITLE CO.
A83101-1

THE GRANTOR Irving Construction Corporation, a Washington corporation for and in consideration of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION in hand paid, conveys and warrants to David C. Adams, an unmarried man the following described real estate, situated in the County of Skagit, State of Washington.

Lot 3, "CEDAR GLEN PLAT PHASE II", recorded November 13, 2003 under Skagit County Auditor's File No. 200311130005, records of Skagit County, Washington.

SUBJECT TO the Easements, Restrictions and other Exceptions set forth on Exhibit "A" attached hereto.

Dated April 25, 2005

Irving Construction Corporation
By: W. Scott Irving, President

SKAGIT COUNTY WASHINGTON REAL ESTATE EXCISE TAX 2079
APR 29 2005
Amount Paid $ 6308.66
Skagit Co. Treasurer
By Deputy

State of Washington
County of Skagit SS:

I certify that I know or have satisfactory evidence W. Scott Irving the person(s) who appeared before me, and said person(s) acknowledged that he/she/they signed this instrument, on each stated he/she/they are authorized to execute the instrument and is President of Irving Construction Corporation to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

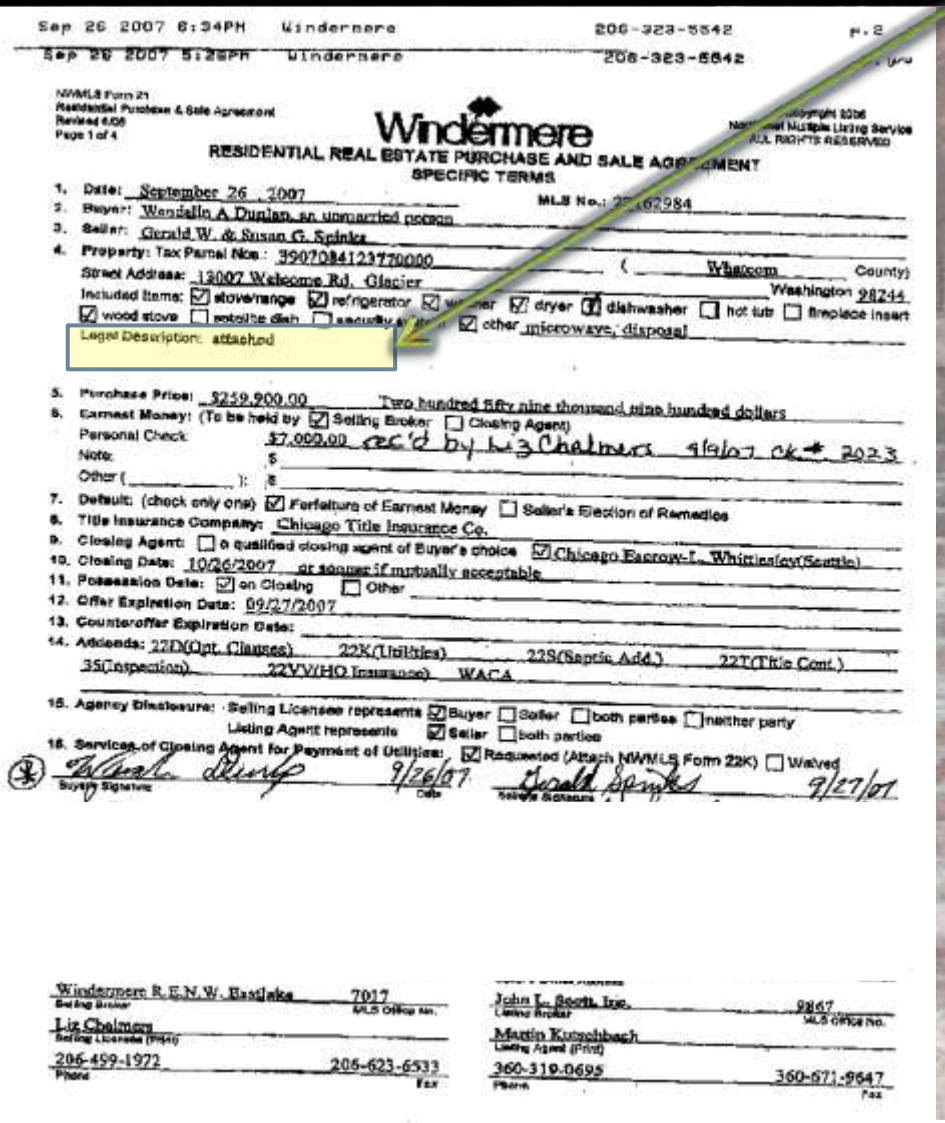
Date: 4-26-05

Notary Public in and for the State of Washington
Residing at Anacortes
My appointment expires: 10-8-05

1-26-07 ND 1/27/07 DA

UNOFFICIAL DOCUMENT

Even when using a different Windermere Agent, a copy of the Deed was included as part of the Purchase Agreement and initialed by buyer and seller.



Sep 26 2007 6:34PM Windermere 206-323-5542 p.2
Sep 26 2007 5:26PM Windermere 206-323-5542

NWMLS Form 21
Residential Purchase & Sale Agreement
Revised 6/05
Page 1 of 4

Windermere

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

1. Date: September 26, 2007
2. Buyer: Wendelin A Duplan, an unmarried person
3. Seller: Gerald W. & Susan G. Spinks
4. Property: Tax Parcel No.: 3907084123770000 (Whatcom County)
Street Address: 13007 Welcome Rd. Glacier Washington 98244
Included Items: ☑ stove/range ☑ refrigerator ☑ [illegible] ☑ dryer ☑ dishwasher ☐ hot tub ☐ fireplace insert
☑ wood stove ☐ [illegible] ☐ [illegible] ☑ other inferowave, disposal
Legal Description: attached

5. Purchase Price: $259,900.00 Two hundred fifty nine thousand nine hundred dollars
6. Earnest Money: (To be held by ☑ Selling Broker ☐ Closing Agent)
Personal Check: $7,000.00 rec'd by Liz Chalmers 9/9/07 ck.# 2023
Note: $
Other ( ): $
7. Default: (check only one) ☑ Forfeiture of Earnest Money ☐ Seller's Election of Remedies
8. Title Insurance Company: Chicago Title Insurance Co.
9. Closing Agent: ☐ a qualified closing agent of Buyer's choice ☑ Chicago Escrow-L. Whitesley(Seattle)
10. Closing Date: 10/26/2007 or sooner if mutually acceptable
11. Possession Date: ☑ on Closing ☐ Other
12. Offer Expiration Date: 09/27/2007
13. Counteroffer Expiration Date:
14. Addenda: 22D(Opt. Clauses) 22K(Utilities) 22S(Septic Add.) 22T(Title Cont.)
35(Inspection) 22VV(HO Insurance) WACA
15. Agency Disclosure: Selling Licensee represents ☑ Buyer ☐ Seller ☐ both parties ☐ neither party
Listing Agent represents ☑ Seller ☐ both parties
16. Services of Closing Agent for Payment of Utilities: ☑ Requested (Attach NWMLS Form 22K) ☐ Waived

Buyer Signature 9/26/07 Date
Seller Signature 9/27/07 Date

Windermere R.E.N.W. Eastlake 7017
Liz Chalmers
206-459-1972 206-623-6533

John L. Scott, Inc. 9867
Martin Kutschbach
360-319-0695 360-671-9647

AFTER RECORDING MAIL TO:

Gerald W. Spinks and Susan G. Spinks
13007 Welcome Road

2020802173
Whatcom County, WA
First American Title Insurance Company

STATUTORY WARRANTY DEED

File No: 4271-784 (LL)
Date: August 22, 2002

Grantor(s): William N. Ware
Grantee(s): Gerald W. Spinks and Susan G. Spinks
Abbreviated Legal: Lot 7, Blk 3, Mt. Baker Rim Div 1, Vol 11, P 74 (plat)
Additional Legal on page:
Assessor's Tax Parcel No(s): 3907084523790000

THE GRANTOR(S) William N. Ware as his sole and separate property for and in consideration of Ten Dollars and other Good and Valuable Consideration, in hand paid, conveys, and warrants to Gerald W. Spinks and Susan G. Spinks, husband and wife, the following described real estate, situated in the County of Whatcom, State of Washington

Lot 7, Block 3, Plat of Mt. Baker Rim Division No. 1, according to the plat thereof, recorded in Volume 11 of plats, Pages 74, 75 and 76, records of Whatcom County, Washington.

Subject To: This conveyance is subject to Covenants, conditions, restrictions and easements, if any, affecting title, which may appear in the public record, including those shown on any recorded plat or survey.

William N. Ware
William N. Ware

Legal Description

Page 1 of 2

AUGUST 27TH 2008

BAIT AND SWITCH?

I Was Informed for the 1ST Time that :

5. The seller Guy Davidson alleged that he never reviewed the legal description on the survey that he drafted the easement upon.

Q	Okay. And Ms. Dunlap did commission a survey of the property. Did you ever see the plat of that survey?
A	Yes.
Q	Did you read the legal description on that plat?
A	No.
Q	Did you ever see survey stakes on the property?
A	Yes.
Q	Did you notice any survey stakes on lot 7?
A	Yes.
Q	Did you notify Ms. Dunlap that lot 7 was not part of the transaction?
A	No.
Q	Did you notify the listing agent that lot 7 was not part of the transaction?
A	The listing agent was notified at the time of the listing.

Despite Scott allegedly being asked by Mansfield
to review the removal of Lot 7 with Davidson and the City.

Mansfield, Mary

From: Mansfield, Mary
Sent: Monday, July 21, 2008 10:19 AM
To: 'Nate Scott'
Subject: REGAL HOSPITALITY

Hi Nate,

May I assume that as part of the feasibility that you might be addressing Lot 7 that is not being sold? Is City OK with leaving the nonconforming Lot – or maybe they are going to boundary adj. with their existing ownwership?

Thanks Nate.

Mary Mansfield
Chicago Title Company - Island Division
3110 Commercial

18	Q	Did the listing agent ever ask you whether this
19		property needed to be subdivided before approval for a
20		subdivision had to occur before it could be sold in the
21		manner that you contemplated selling it to Ms. Dunlap?
22	A	No.
23	Q	Did Mr. Scott ever raise that issue with you?
24	A	No.

COMPLAINT FOR FRAUD; NEGLIGENT MISREPRESENTATION; BREACH OF CONTRACT AND CONSUMER PROTECTION ACT VIOLATIONS

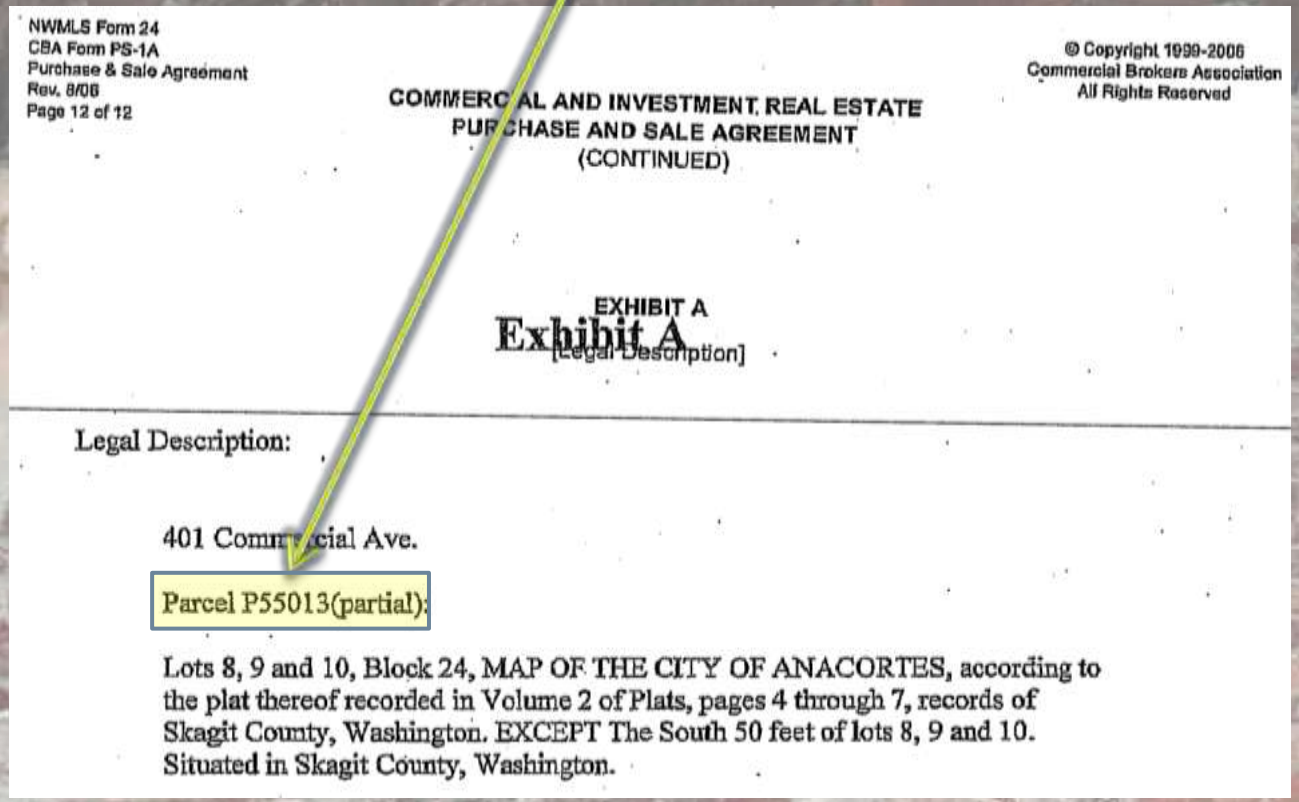
AGAINST DEFENDANTS: Nathan Scott, Colleen Craig, Meredith Laws, Guy Davidson, Regal Hospitality, LLC., Mary Mansfield

The defendants took advantage of my lack of experience in Commercial Real Estate by colluding to defraud me of 3,000 sq ft of property that was advertised for sale.

Collectively, they are attempting to dismiss overwhelming evidence:

1. The listing advertised on the building and Windermere's Commercial web site.
2. The binding Commitment for Title Insurance that matched that listing.
3. The survey I commissioned based on that listing & Commitment for Title insurance which I have proof was received by Laws/Craig/Mansfield/Davidson during feasibility.
4. They purposely failed to include a copy of the listing or Statutory Deed as part of the Purchase Agreement because:
    1. They intended to modify the Statutory Deed that was currently on record with the county.
    2. They would have either had to include a copy of Davidson's Listing with the 7,500 sq ft advertised or include the alleged second listing which would have informed me before I signed the agreement that they had inserted the word (partial) into the legal description in an attempt to sell me 3,000 sq ft less than was advertised for sale or recorded and represented by the county.

The only document represented to me before closing that could have communicated that the defense intended to only sell part of the advertised tax parcel is…



NWMLS Form 24
CBA Form PS-1A
Purchase & Sale Agreement
Rev. 8/06
Page 12 of 12

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Commercial Brokers Association
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COMMERCIAL AND INVESTMENT REAL ESTATE
PURCHASE AND SALE AGREEMENT
(CONTINUED)

EXHIBIT A
Exhibit A
[Legal Description]

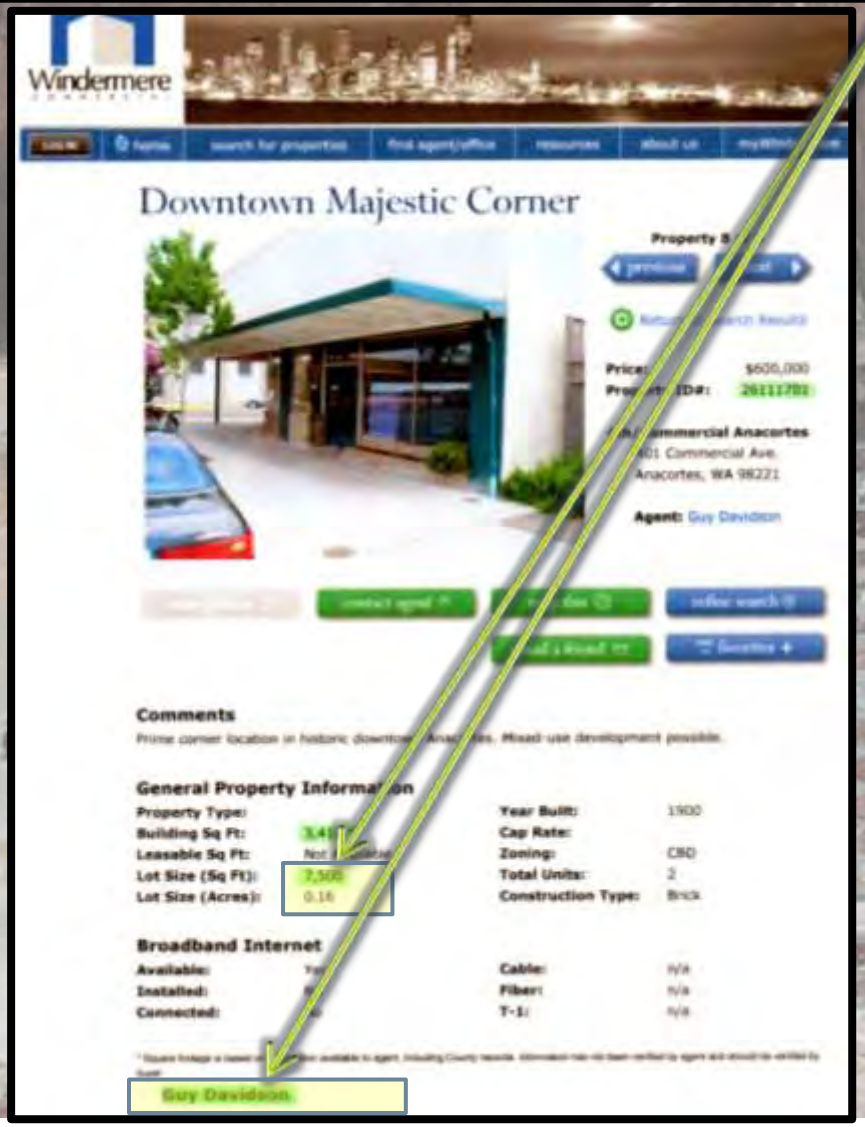
Legal Description:

401 Commercial Ave.

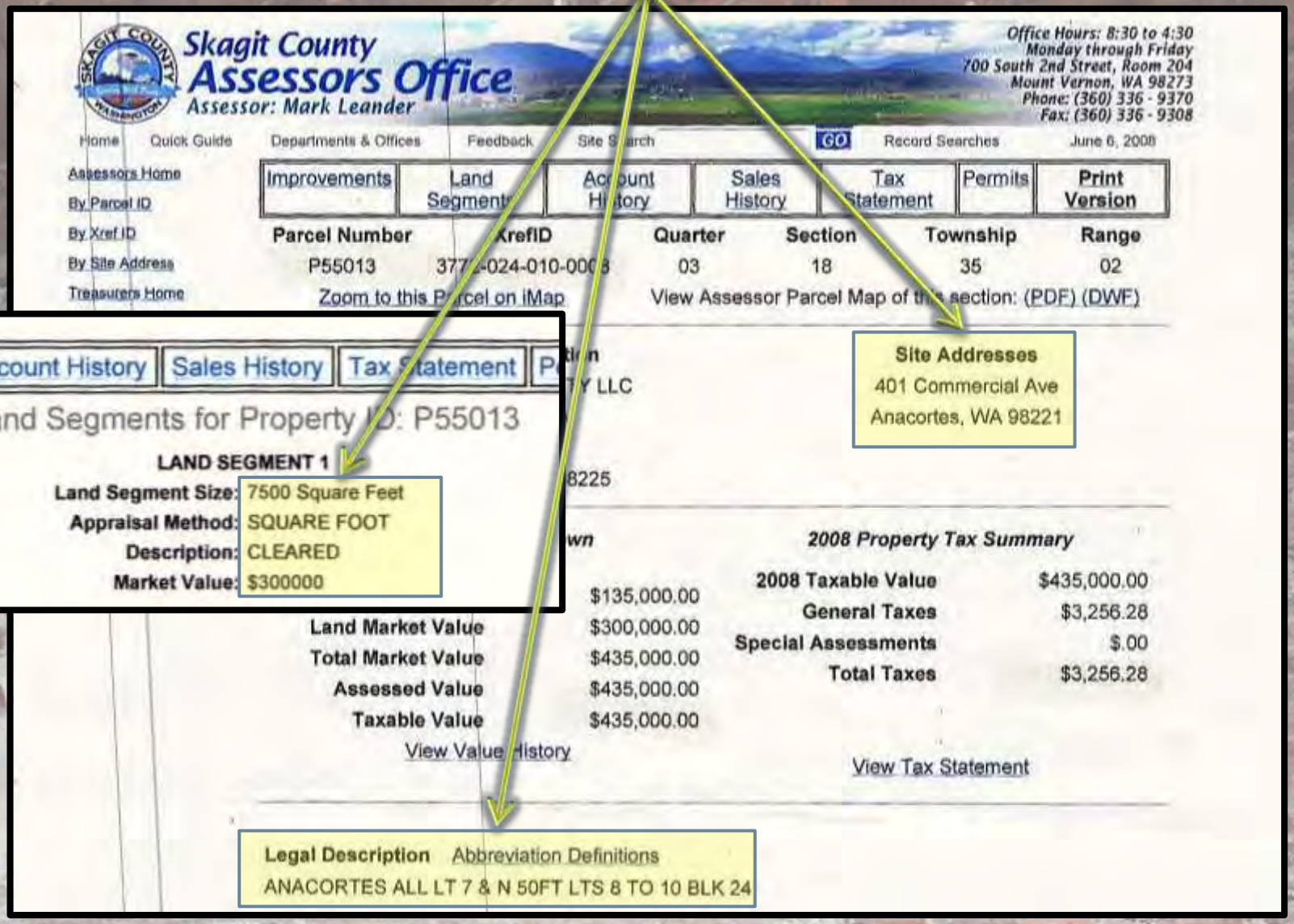
Parcel P55013(partial):

Lots 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington. EXCEPT The South 50 feet of lots 8, 9 and 10. Situated in Skagit County, Washington.

Here are the representations available to me before closing which communicated that the ENTIRE tax parcel was for sale...



Official Documents Recorded with Skagit County…



Commitment for Title Insurance

CHICAGO TITLE COMPANY
Island Division

July 18, 2008

WENDELIN DUNLAP
3511 CEDAR GLEN COURT
Anacortes, WA 98221

Re: Escrow No. AE12621
DUNLAP / REGAL HOSPITALITY LLC

Dear MS. DUNLAP:

We are pleased to have the above referenced transaction placed with us for closing. In doing this, we have enclosed some opening paperwork for you to **review and keep**. We are holding the originals for signing at closing.

1. Closing Agreement/Escrow Instructions
2. Commitment for Title Insurance

According to the County Assessors Rolls the property address is:

401 COMMERCIAL AVENUE
Anacortes WA 98221

If an abbreviated legal description is required, it can read as follows:

Lot 7 and Ptn. Lots 8, 9 and 10, Blk. 23, MAP OF THE CITY OF ANACORTES

EXHIBIT "A"

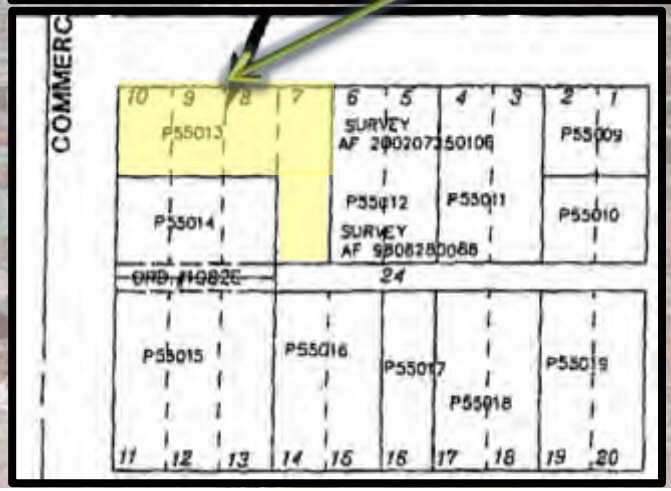
Lots 7, 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof, recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington;

EXCEPT the South 60 feet of Lots 8, 9 and 10.

Situated in Skagit County, Washington

8. General taxes for the second half of 2008, which become delinquent November 1st if unpaid.
Amount Due: $1,628.14
Total Amount: $3,256.28, billed for 2008
Account No.: 3772-024-010-0008
Property No.: P55013
Located in: the City of Anacortes

- END OF SPECIAL EXCEPTIONS



Final Signed Closing Documents

3. A policy of title insurance issued pursuant to the Preliminary Commitment for Title Insurance referred to above, insuring the buyer with liability of $550,000.00, having the usual clauses, provisions and stipulations customarily contained in the printed provisions and schedules of such policy forms, insuring the buyer's title to the property against all defects or encumbrances except those set forth in the printed exceptions and exclusions customarily contained in the printed provisions and schedules of such policy forms, matters attaching by, through or under the buyer, taxes not yet due and the matters set forth in the following numbered paragraphs of Schedule B of the Preliminary Commitment for Title Insurance: , and Buyer is aware of encroachment of building onto adjacent property.

4. Such other policies of title insurance as may be required by any lenders that are providing financing in the transaction.

Completion or Correction of Documents. The closing agent is instructed to correct any errors found in any document deposited under these instructions, and to insert as necessary the closing date on which interest begins to accrue, and the dates on which payments must be made, if such items are incomplete.

Title Report Approved. The Preliminary Commitment for Title Insurance, including legal description of the property and all attachments, supplements and endorsements to that report, issued by CHICAGO TITLE COMPANY - ISLAND DIVISION under Order No. IC46168, are approved by me and made a part of these instructions by this reference.

Title Insurance. The closing agent is instructed to obtain and forward to the parties a preliminary commitment for title insurance on the property and any other parcel of real property that will be used to secure payment of any obligation created in the transaction (referred to herein as "the title report"). The closing agent is authorized to rely on the title report in the performance of its duties and shall have no responsibility or liability for any title defects or encumbrances which are not disclosed in the title report.

Final Signed Excise Tax Affidavit

CTC 1C46168/AE12021 Mary

PLEASE TYPE OR PRINT

REAL ESTATE EXCISE TAX AFFIDAVIT

CHAPTER 82.45 RCW – CHAPTER 458-61 WAC

This form is your receipt when stamped by cashier.

THIS AFFIDAVIT WILL NOT BE ACCEPTED UNLESS ALL AREAS ON ALL PAGES ARE FULLY COMPLETED

☐ Check box if partial sale of property

If multiple owners, list percentage of ownership next to name

Peaceful ✓

SELLER GRANTOR

1 Name REGAL HOSPITALITY LLC, a Washington Limited Liability Company

Street 804 10th Street

City/State/Zip Bellingham, WA 98225

Phone No.

BUYER GRANTEE

2 Name PEACEFUL LIVING PROPERTIES, LLC, a WA LLC

Street

City/S

Phone No.

3 Send all property tax correspondence: [x] Same as Buyer/Grantee

Name PEACEFUL LIVING PROPERTIES, LLC

Street

City/S

Phone No.

List all real and personal property tax parcel account numbers – check box if personal property

P55013 3772-024-010-0008 ☐

List assessed value(s)

090V

435,000

690

4 Street address of property: 401 COMMERCIAL AVENUE Anacortes WA 98221

This property is located in ☐ unincorporated County OR within ☐ city of Anacortes

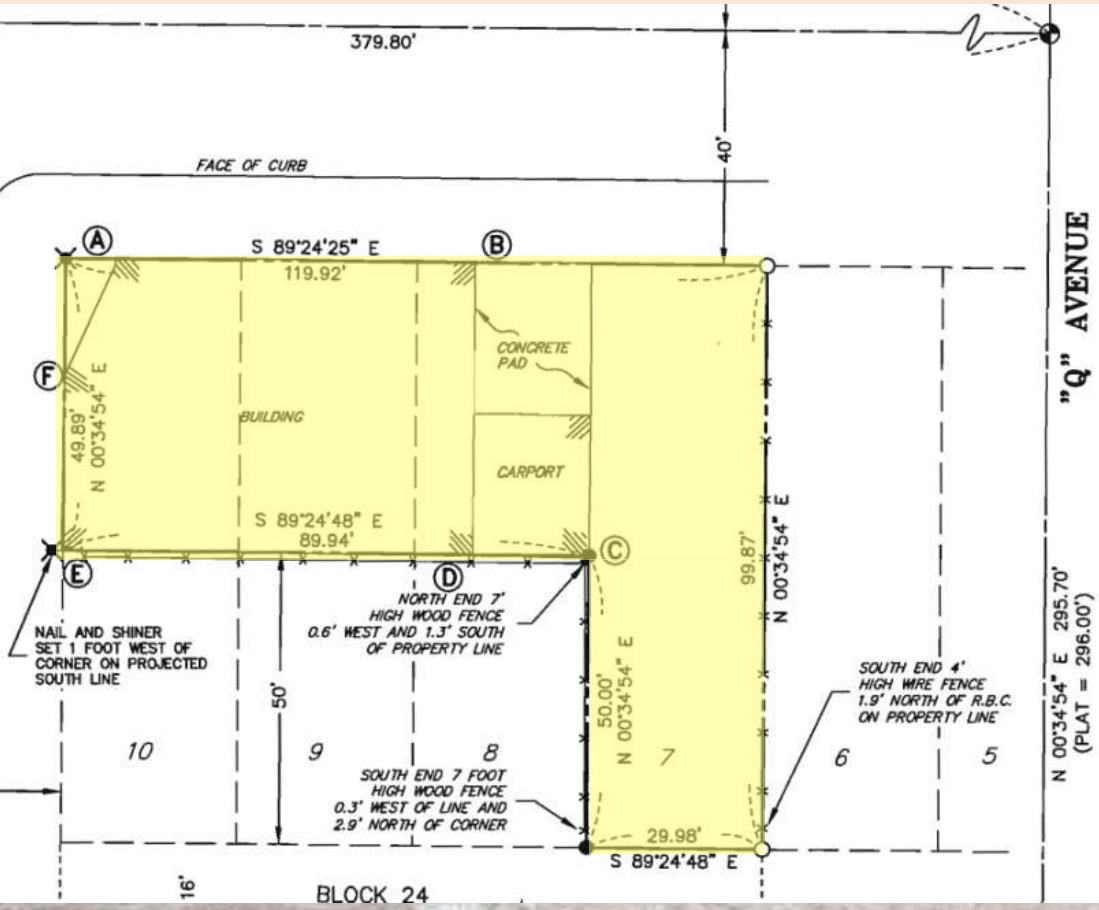
☐ Check box if any of the listed parcels are being segregated from a larger parcel

Legal description of property (if more space is needed, you may attach a separate sheet to each page of the affidavit)

Lots 8, 9 and 10, Block 24, MAP OF THE CITY OF ANACORTES, according to the plat thereof, recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington; EXCEPT the South 50 feet of Lots 8, 9 and 10. Situated in Skagit County, Washington.

On Top of ALL of Those Representations of a Full Tax Parcel for Sale
I COMMISSIONED AND DISTRIBUTED MY OWN SURVEY (reviewed by Laws/Craig/Mansfield/Davidson) OF WHAT I INTENDED TO PURCHASE

You Get The Picture!!



NOTES

1. ● – INDICATES IRON REBAR SET WITH YELLOW CAP – SURVEY NUMBER SEMRAU 28626
   ⊗ – INDICATES NAIL AND SHINER SET IN LEAD – SURVEY NUMBER SEMRAU 28626
   ○ – INDICATES EXISTING REBAR OR IRON PIPE FOUND.
   ⊕ – INDICATES CONCRETE MONUMENT IN CASE.

2. THE DESCRIPTION FOR THIS SURVEY IS FROM COMMITMENT FOR TITLE INSURANCE BY CHICAGO TITLE COMPANY–ISLAND DIVISION, ORDER NO. IC46168, DATED JUNE 30, 2008. SAID TITLE REPORT INDICATES THAT THIS PROPERTY IS SUBJECT TO AN EASEMENT RECORDED AS SKAGIT COUNTY AUDITOR'S FILE NO 8511140044, WHICH IS THE SAME DOCUMENT THAT VACATED A PORTION OF THE ALLEY IN BLOCK 24. SAID TITLE REPORT ALSO INDICATES THAT THE PROPERTY IS SUBJECT TO AN AGREEMENT BETWEEN TCI CABLEVISION AND THE MAJESTIC HOTEL RECORDED AS AUDITOR'S FILE NO. 9905100042.

3. BASIS OF BEARING: EXISTING MONUMENTS AT THE INTERSECTION OF 4TH STREET AND "Q" AVENUE AND 4TH STREET AND "O" AVENUE, BEARING = NORTH 89°24'25" EAST.

4. ALL DISTANCES ARE SHOWN IN FEET.

5. INSTRUMENTATION: LEICA TCA 1105 THEODOLITE DISTANCE METER.

6. SURVEY PROCEDURE: STANDARD FIELD TRAVERSE.

7. THIS SURVEY WAS REQUESTED BY NELS STRANDBERG.

8. THIS SURVEY MAY SHOW OCCUPATIONAL INDICATORS AS PER W.A.C. CHAPTER 332.130. LINES OF OCCUPATION MAY INDICATE AREAS FOR POTENTIAL CLAIMS OF UNWRITTEN OWNERSHIP. THIS BOUNDARY SURVEY HAS ONLY SHOWN THE RELATIONSHIP OF LINES OF OCCUPATION TO THE DEEDED LINES OF RECORD. NO RESOLUTION OF OWNERSHIP BASED ON UNWRITTEN RIGHTS HAS BEEN MADE OR IMPLIED BY THIS SURVEY.

9. EXCEPT AS SPECIFICALLY STATED OR SHOWN ON THIS SURVEY MAP, THIS SURVEY DOES NOT PURPORT TO REFLECT ALL OF THE FOLLOWING WHICH MAY BE APPLICABLE TO THE SUBJECT REAL ESTATE: EASEMENTS, BUILDING SETBACKS LINES, RESTRICTIVE COVENANTS, SUBDIVISION RESTRICTIONS, ZONING OR OTHER LAND–USE REGULATIONS AND ANY OTHER FACTS.

DESCRIPTION

LOTS 7, 8, 9 AND 10, BLOCK 24, MAP OF CITY OF ANACORTES, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 2 OF PLATS, PAGES 4 THROUGH 7, RECORDS OF SKAGIT COUNTY, WASHINGTON.

EXCEPT THE SOUTH 50 FEET OF LOTS 8, 9 AND 10.

SITUATED IN SKAGIT COUNTY, WASHINGTON.

Please Help Make Me Whole

Item	Company	Total Cost to March 2010
Legal Costs	McAllister/Dove	13,733.80
Loan Holding Costs	UBS/Wells Fargo	85,778.92
Construction Insurance*	Top Insurance	19,990.02
Storage Costs*	Money Saver/Big Steel Box	32,881.35
Rental Income Loss*	2500 sq. ft 401 Commercial	193,575.00
Cost to Settle Permanent Rental Income Loss for sq ft loss due to expense of case and not able to get construction loan due to defendant's fraudulent actions	per Strandberg Const Bid	24,700.00
Unusable feasibility work based on full tax parcel*	Strandberg Construction et al	64,242.69
Holding Costs for Utilities	PSE/City of Anacortes/CNGC	2,679.24
Surgery for Resulting Health Issues of developing pre-cancerous tissue due to stress and anger over being wronged	Island Hospital et al, previous diagnosis and rediagnosis since I have been forced to wait longer than my doctor suggested	30,000.00
Lack of ability to enjoy the quiet use and profitability of Lot 7 as advertised in #26111701 (7500 sq ft)	Regal, Windermere, Chicago Title	150,000.00
Credit Card debt incurred due to damages	Visa	70,121.00
		$687,702.02
*Treble Damages for Consumer Fraud	Consumer Protection Act	

Please Help Make Me Whole

Item	Company	Total Cost to March 2010
Legal Costs	McAllister/Dove	13,733.80
Loan Holding Costs	UBS/Wells Fargo	92,288.92
Construction Insurance*	Top Insurance	29,884.86
Storage Costs*	Money Saver/Big Steel Box	36,181.35
Rental Income Loss*	2500 sq. ft 401 Commercial	232,290.00
Cost to Settle Permanent Rental Income Loss for sq ft loss due to expense of case and not able to get construction loan due to defendant's fraudulent actions	per Strandberg Const Bid	24,700.00
Unusable feasibility work based on full tax parcel*	Strandberg Construction et al	64,242.69
Holding Costs for Utilities	PSE/City of Anacortes/CNGC	2,679.24
Surgery for Resulting Health Issues of developing pre-cancerous tissue due to stress and anger over being wronged	Island Hospital et al, previous diagnosis and rediagnosis since I have been forced to wait longer than my doctor suggested	30,000.00
Lack of ability to enjoy the quiet use and profitability of Lot 7 as advertised in #26111701 (7500 sq ft)	Regal, Windermere, Chicago Title	150,000.00
Credit Card debt incurred due to damages	Visa	70,121.00
Cost of therapy if my daughter no longer qualifies for typically developing kindergarten	Cost of therapy (PT, OT, SLP) from age 5-18	600,000.00
		$1,346,121.86
*Treble Damages for Consumer Fraud	Consumer Protection Act	

APRIL 2010

MY ESTIMATED DAMAGES BY AUGUST

To date the defense has not presented a tangible reason for failing to correctly conform the deed to the Property as: advertised in the Listing, represented by the Legal Description on record with the County, represented in my Survey, insured by the Title Insurance and as existing on the date of Closing. The County did reform the Property to match the deed 65 days after the date of sale.

Heretofore the defendants combined transgressions have rendered me a victim of fraud; negligent misrepresentation; breach of contract and consumer protection act violations that have precluded me from the quiet enjoyment and profitability of the Property covered by Title Insurance for over 1.5 yrs.

As a direct effect of the illegal actions perpetrated by the defendants backed by exceedingly wealthy companies and their costly super-lawyers: I have had to close my small business, lay off my three employees in a terrible economy, default on my home and my rental mortgages and not afford preventative cancer surgery or therapists for my five year old with special needs.

How do you even begin to put a cost on that?