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**Eastsound Sewer & Water District  
P.O. Box 640  
Eastsound, WA 98245-0640**

**Document Title (s):      L I E N   N O T E**

**Grantors:**

**In Consideration of;   Sewer Service**

**Grantee:                    Eastsound Sewer & Water District**

**Tax Parcel Number(s):      \_\_\_\_\_**

**Abbreviated Legal Description:      \_\_\_\_\_**

**Additional Legal on Page \_\_\_\_\_ of documents**

**Reference Auditor File Numbers:      \_\_\_\_\_**

**LIEN NOTE SUMMARY**

**Date:      \_\_\_\_\_**

**Amount \$ \_\_\_\_\_ Interest Rate:   3%**

**[ ] Monthly or [ ] Semi-Annual Payment Amount (check one) \$ \_\_\_\_\_ Plus Interest**

**Payment Due Dates:      \_\_\_\_\_**

**Name of Payers:      \_\_\_\_\_ (Husband & Wife)**

**Address      \_\_\_\_\_**

**City:      \_\_\_\_\_ State:      \_\_\_\_\_ Zip:      \_\_\_\_\_**

## LIEN NOTE

The undersigned promises to pay to Eastsound Sewer and Water District (“District”) of San Juan County, Washington, the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), in equal [ ] monthly or [ ] semi-annual installments (check one) of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), including interest on the unpaid balance at the rate of \_\_\_\_\_percent (**3 %**) per annum. The first installment is due and payable on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and like installments are due and payable on every \_\_\_\_ day of \_\_\_\_\_ and \_\_\_\_ day of \_\_\_\_\_ thereafter until the entire amount is paid in full, including interest and penalties, if any; provided that, the undersigned agrees to pay the entire balance hereof in full no later than \_\_\_\_\_( ) years from the date of this note or upon the earlier sale, conveyance or transfer of the Property.

The undersigned acknowledges and agrees that the face amount of this Lien Note represents the unpaid balance of District’s sewer connection charges (sometimes referred to as facility charges in District documents) incurred as a result of the connection to the District’s sewer system of the real property (“Property”) described on Exhibit A attached hereto and incorporated by reference as if set forth in full herein.

In the event of default, the Board of Commissioners may declare the entire unpaid balance with accrued interest immediately due and payable. A default shall include the failure to pay an installment within thirty (30) days of its due date or, any sale, conveyance or transfer of the Property during the term hereof. In the event of a default, the undersigned agrees to pay a penalty of ten percent (10%) on the overdue unpaid installment amount, or, if a default arises through the sale, conveyance or transfer of the Property, a ten percent (10%) penalty shall be applied to the then entire unpaid balance hereof.

The undersigned agrees to pay District’s attorneys fees and costs, incurred in collecting the unpaid balance whether or not legal action is commenced to foreclose this Lien Note.

Following a default, the District may certify any delinquency to the San Juan County Auditor and such balance then owing, penalties and interest thereon, attorney fees and collection costs, including but not limited to court fees, service of process and title insurance costs, shall be a lien against the Property superior to all other liens except the lien for general taxes as provided by Revised Code of Washington Section 57.08.081 or successor statute.

Upon the filing of a certificate of delinquency with the San Juan County Auditor, the interest rate shall automatically increase to the lesser of the rate set forth in RCW 57.08.081 (3) or eight percent (8%) per annum and shall apply as of such date to all amounts due hereunder until the default is fully cured. If the default has not been cured within sixty (60) days, the District may bring suit to foreclose such lien in the San Juan County Superior Court as provided by such statute. The remedies provided herein shall not be exclusive and be in addition to any other remedy available to District in law or equity.

The balance due may be prepaid in whole or part at any time without penalty. This document shall be recorded with the San Juan County Auditor. The terms hereof may not be changed or altered except by mutual written consent of the parties which shall be effective only upon the adoption of a resolution by the Board of Commissioners of District. The parties' rights and obligations hereunder inure to the benefit of the undersigned and their heirs, successors and assigns. The terms of this document touch and concern the Property and shall bind and run with the Property.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Property Owner(s):

\_\_\_\_\_  
\_\_\_\_\_

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

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

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

NOTARY SEAL

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington, residing at  
\_\_\_\_\_  
My Appointment Expires \_\_\_\_\_.

**EXHIBIT A**

**(attach complete legal description of property)**