Hunter

The following is made a part of that certain Purchase and Sale Agreement and/or Earnest Money Agreement, hereinafter "the Agreement", dated ______, between Hunter Homes Building Group, a Washington Limited Liability Company, as "Seller" or "Builder", and ______ as "Purchaser" or "Buyer". This agreement covers the purchase and sale of the home known as Plan No.______ and/or known as the ______ Plan, on that certain real property commonly known as Lot ______ of <u>Woodbrook</u>

located in Pierce County, WA.

1. CLOSING/ESCROW TITLE shall be through the following:

C W Title and Escrow @ 253-200-2700

1002 39th Ave SW, Ste 101, Puyallup, WA 98373

Althea Kaheiki-Combs

2. TITLE shall be through the following:

C W Title and Escrow @ 253-200-2700

1002 39th Ave SW, Ste 101, Puyallup, WA 98373

3. **PURCHASER's Lender :**

Bank Name:

Loan Officer:

Phone Number:

4. CLOSING COSTS. Seller has approved up to a \$6,000 credit for closing costs on lot ______, provided that:

Buyer(s) must be pre-approved with our Preferred Lender, Brooke Villano of Veterans United Home Loans within five (5) days of Mutual Agreement, and successfully close with Brooke Villano of Veterans United Home Loans.

If Buyer(s) use lender other than Brooke Villano of Veterans United Home Loans, then Buyer(s) shall receive up to \$2,000 in closing costs.

Buyer(s) may use lender of choice, but Buyer(s) is still required to make application with the above lender, if only for purposes of preapproval. Contact Brooke Villano at 253-720-6248.

Closing Cost Credit may only be used toward closing costs and is not redeemable in cash or credit toward upgrades. Purchaser agrees to make loan application and have financing contingency removed within 5 days. This supersedes Financing Addendum Form 22A.

- 5. EARNEST MONEY. Earnest money shall be at least \$2,500 for existing inventory and at least \$5,000 for all presales. Earnest Money to be deposited with C W Title and Escrow, and be released to Seller as Non-refundable Builder Deposit 30 days after Mutual Agreement.
- 6. IF THIS IS A CASH PURCHASE, the total amount of the purchase/sales price must be deposited into escrow within three business days of the mutual acceptance of the Agreement. Escrow can be instructed to deposit the funds into an interest bearing account for the benefit of the Purchaser.
- 7. LENDER FEES. Buyer and Buyer's Lender are aware that builder will not pay any of the lenders fees on behalf of the Purchaser to Purchaser's Lender, or others, unless specifically agreed to in writing in the Agreement (or Addendum thereto) that this is a part of; such as document processing fees, review fees, underwriting fees, funding fees, or any other such lender fees.
- 8. PERSONALIZATION. Purchaser acknowledges that the final selections and personalization of their new home is to be completed prior to the commencement of construction, unless otherwise agreed to by the Seller. If Purchaser requests any changes, alterations and/or additional upgrades or features after commencement of construction, Seller may, in its sole discretion either deny such request OR it may allow such request provided that Purchaser prepay the Seller the full price of all requested changes, alterations and/ or additional upgrades or features plus a construction change fee of up to \$200.00 per request. Purchaser is strongly encouraged to request all changes, alterations and/or additional upgrades or features to their new home before construction commences. Time is of the essence to accomplish this for the purposes of ordering Purchaser preference items and the property appraisal on a timely basis so as not to delay the completion of construction. If Purchaser elects to make any upgrade or selection outside of Seller's standard stock materials, the Purchaser shall pay in advance the costs of any and all of such upgrades and additional features directly to the Seller and such payment shall then become non-refundable. Purchaser also acknowledges that due to variable appraisal policies, the full value of the upgrades

Buyers Initials _____

Sellers Initials

Hunter Homes Building Group - New Construction Addendum-Woodbrook 1-2-14 HUNTEHB905LS 1 of 6

Hunter

New Construction Addendum-Woodbrook

and additional features may not be included in the appraised value of the property. Purchaser agrees to execute a waiver of low appraisal, except on FHA/VA financed transactions, if necessary to include the value of upgrades and additional features to the purchase price.

Should Buyer elect to increase the sales price to finance upgrades or closing costs, Seller will charge Buyer a convenience fee of 10% of the amount of the increase in the sales price. This 10% convenience fee will be paid to the Seller at closing.

Buyer understands that although changes/upgrades may add value to the Home, the appraisal value may not increase at all, and therefore the Buyer may not be able to finance upgrades. In the event appraisal value is less than the purchase price, Buyer and Seller conditionally agree to lower the purchase price as follows: 1. If upgrades are less than the Builder Deposit, Seller agrees to reduce the purchase price by the difference between the appraisal value and the purchase price. Buyer agrees to reduce the amount of Builder Deposit to be credited at closing by the same. Or, 2. If upgrades total more than the Builder Deposit, Seller agrees to reduce the purchase price to the appraised value. Buyer agrees to forfeit the Builder Deposit credit at closing, and agrees to pay any remaining balance in cash at closing.

- 9. COMPLETION OF NEW HOME. The completion date is an estimated target date only. Any completion date contained in this agreement or communicated to the Purchaser by Seller or Agent is the best estimate of when the new home will be completed and in no way is meant as a guarantee. SELLER IS NOT RESPONSIBLE for the expiration of Purchaser's loan commitment, penalties, loan fees or other fees or losses due to the estimated completion date not being met. PURCHASER IS ADVISED TO ENSURE THAT THEIR LENDER AND ANY OTHER INTERESTED PARTY IS MADE AWARE OF THIS AGREEMENT.
- 10. COMPLETION DEFINED. Completion is defined as when construction is substantially complete and a CERTIFICATE OF OCCUPANCY is issued.
- 11. CLOSING OF SALE. This sale shall be closed by the Closing Agent on the Closing Date. If the Closing Date falls on a Saturday, Sunday or legal holiday as defined in RCW1.16.050, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday or legal holiday. "Closing means the date on which all documents are recorded and the sale proceeds are available to Seller. If Buyer causes the Closing of the sale to be delayed beyond the date upon which Seller is ready and willing to close the transaction, Seller may require Buyer to pay Seller, in addition to the sums otherwise due Seller at Closing, up to \$100.00 for each day Closing is delayed by Buyer. Seller and Buyer instruct the Closing Agent to add the delay fee imposed by the Seller to the Total Purchase Price, based upon Seller's notification to the Closing Agent of a Buyer delay of the Closing, without further written modification of his Agreement. Buyer, on Buyer's own behalf and for Buyer's lender, agrees that if weather and/or ground conditions delay completion of landscaping, final grading and/or flatwork, this will not be a reason to delay closing or require a holdback. If not completed before Closing, Seller agrees that when weather, ground conditions and scheduling permit, landscaping, final grading and/or flatwork will be completed.
- 12. LOCATION OF HOME. SELLER HAS SOLE DISCRETION TO DETERMINE THE EXACT LOCATION OF HOME ON THE PROPERTY BEING PURCHASED.
- 13. GRADE AGREEMENT. The Builder/Developer makes no warranties, expressed or implied, as to the grade (gradient) of lot except that the lot will be graded to drain away from the home. The Purchaser shall be responsible for properly providing the grade (gradient) at such time as the lot is prepared for landscaping. By their signature hereon, the Purchaser acknowledges that they are aware of their responsibility to insure proper grading and shall not hold the builder/developer responsible for any standing water or problems as the result of precipitation. Any question as to grade (gradient) should be addressed to a civil engineer or other professional. In the event that front yard and back yard landscaping are provided by the Builder, the grade shall be the responsibility of the Builder, to insure proper grading, holding the Buyer harmless.

Initials: Buyer _____ Date _____ Buyer ____ Date _____ Seller Date

14. INSULATION. The Federal Trade Commission Regulations require the following information be disclosed:

| INSULATION LOCATION | INSULATION TYPE | THICKNESS IN INCHES | R-VALUE |
|----------------------------|---------------------------------------|---------------------|---------|
| Wall - Exterior | Fiberglass Batts | 5.5″ | R-21 |
| Crawl Space, Overhangs, | Fiberglass Batts | 10" | R-30 |
| Floor Over Garage, | | | |
| Ceiling | Fiberglass Blow | 16" | R-49 |
| Ceiling – in Vaulted Areas | Fiberglass Batts – 1 st 2' | 5.5″ | R-21 |
| | Fiberglass Blow | 16" | R-49 |

Buyers Initials _____

Sellers Initials _____

Hunter Homes Building Group - New Construction Addendum-Woodbrook 1-2-14 HUNTEHB905LS 2 of 6

Hunter Homes

- 15. SUBSTITUTION. Seller reserves the right to substitute items of comparable quality without prior notice to Purchaser. All items are subject to reasonable availability.
- 16. NO VERBAL REPRESENTATIONS. It is natural during the course of the transaction for the Purchaser to have questions regarding their new home. In order for the Purchaser to receive responsible and authoritative answers to their questions, the questions shall be presented to Seller who will respond in writing. Purchaser understands and agrees that sales agents, field superintendents and sub-contractors are not authorized to make such representations, or representation that shall modify the Agreement as written, and that the full understanding shall be limited to the Agreement as written together with any clarifications made by Seller in writing.
- 17. CHANGES. Purchaser may request changes to the standard home designs constructed by Seller prior to the commencement of construction only as provided in Section 4 of this Addendum. However, Purchaser understands that if the home is presently under construction as of the date of the Agreement, certain design changes may not be possible or accommodated, or if they can be accommodated they will be at an additional expense. Purchaser will be required to pay directly to Builder for all options selected in advance of the installation of the options selected by Purchaser. All payments for custom changes and/or upgrades which may be paid in advance by Purchaser prior to installation shall be non-refundable. All changes must be by written addendum signed by both parties.
- 18. PURCHASER'S ACCESS DURING CONSTRUCTION. Purchaser acknowledges that the property being purchased pursuant to the Agreement is and shall continue to belong to the Seller until closing. Purchaser agrees that they shall not enter onto the property during construction unless accompanied by Seller's representative or agent. Purchaser further acknowledges notice that only Seller, Seller's employees and authorized sub-contractors are authorized to enter and do work on the property, and Purchaser is expressly denied permission to do any work on the property prior to closing for any reason whatsoever, without the prior written agreement and consent of Seller. Furthermore, keys to the house or possession of the property shall/will not be released or transferred to the Purchaser until the closing/recording date of this purchase/sale transaction.
- 19. PLAN VARIATIONS. No two homes are built exactly alike. It is not uncommon to have minor differences in the dimensions or style of concrete, landscaping, framing, plumbing, mechanical, electrical, cabinets, etc. All homes are built with the same quality materials, but the above-mentioned items can and do vary from home to home. These variations are not considered defects and will not be changed.
- 20. PLANS ARE PROPERTY OF SELLER. Plans, drawings, specifications and design materials shall remain the sole property of the Seller and will not be made available to the Purchaser.
- 21. PURCHASER IS AWARE THAT CONDITIONS, COVENANTS AND RESTRICTIONS HAVE BEEN RECORDED for the protection of all homeowners in the development and has either received a copy of same or will request and review a copy of same.
- 22. HOMEOWNER'S ASSOCIATION & DUES. It is understood that all owners of lots within <u>Woodbrook</u> will become members of the <u>Woodbrook</u>. Homeowner's Association. The Association will assess annual dues to each member to maintain and improve the common areas of <u>Woodbrook</u>. The estimated annual dues of the Association for 2013 will be <u>\$840</u>. A reimbursement assessment shall be paid by each lot owner at the time of closing in the amount of <u>\$250</u>, which shall be paid directly to the Builder. A <u>\$40</u> administration fee shall be collected at closing and paid to the Association's management company.
- 23. APPLIANCES. The cooktop, hood, oven/microwave, dishwasher, and disposal are included in the base price of the home. All other appliances are options, and must be prepaid directly to the Builder as a non-refundable upgrade. All appliance upgrades must be selected from the Builder's Appliance Upgrade List, and purchased through the Builder's Appliance Supplier.
- 24. IF THIS IS A PRE-SALE AGREEMENT and any color selections are allowed, selections will be made within 14 days of Mutual Agreement. Appointments will be needed as follows: For Interior selections, contact Mark Thompson at Double Eagle Interiors, 2880 West Valley Hwy N #102, Auburn, WA 98001, mark@doubleeagleinteriors.com, 253-804-8800. For Exterior selections, contact Anne Knoben at Hunter Homes, anne@hhbgonline.com 253-219-0820. Color selections take approximately one hour. All selections/colors must be within Builder allowances and color schemes. The Builder allows Buyer selections on the following items only:

Buyers Initials _____

| Sellers Initials | |
|------------------|--|
| | |

Hunter Homes Building Group - New Construction Addendum-Woodbrook 1-2-14 HUNTEHB905LS 3 of 6



Interior Selections

| SURFACE | LOCATION (PER PLAN) | NO. OF SELECTIONS |
|------------------------------------------------|-----------------------------------|-------------------|
| Carpet Color | Great Room, Den, | 1 |
| | Stairs, 2 nd floor | |
| | Hallways, Bed/Bonus | |
| | Rooms | |
| Hardwood Flooring Color | Entry, Main Floor | 1 |
| | Hallway, Powder Bath, | |
| | Kitchen, Dining Nook, & | |
| | Formal Dining | |
| Granite Color | Kitchen Counters, 1 st | 3 |
| | floor Bath Counter, | |
| | Master Bath Counter | |
| Full Tile Back Splash | Kitchen | 1 |
| Fireplace Slate Tile Surround & Hearth | Great Room | 1 |
| Vinyl Flooring, Laminate Counter Top, Bullnose | Utility Room | 1 |
| Backsplash | | |
| Tile Flooring | Master Bath | 1 |
| Tile Tub Surround, Shower Walls | Master Bath | 1 |
| Tile Vanity Counter, backsplash | Main Bath | 1 |
| Vinyl Flooring | Main Bath | 1 |

All upgrades selected at Double Eagle Interiors must be paid by check directly to Builder within 1 week of selection, unless otherwise agreed by Builder and shall be non-refundable.

Exterior Selections

Pre-sale buyers may select from pre-approved exterior color schemes. Exterior elevations, siding detail, garage door styles, and lighting are pre-selected by the Builder.

- 25. NEW HOME ORIENTATION. The Seller will schedule a New Home Orientation for the Buyer prior to closing. New Home Orientations will be conducted Monday Friday between the hours of 8:00 AM and 4:00 PM. Only the Buyer(s) and the Hunter Homes Building Group Representative are to be present. Seller and Buyer agree that any item(s) requiring additional attention, as noted at the new home orientation, will be completed as soon as reasonably possible; but in any event will not delay the closing process. Minor defects or deficiencies shall not justify the Buyer's refusal to close this transaction, at full price, within the time provided. After closing, Buyer acknowledges that it is Buyer's sole responsibility to provide access to the home and property during Seller's normal working hours to ensure prompt correction of any deficiencies after closing.
- 26. BUYER'S THIRD PARTY HOME INSPECTION. The Seller allows the Buyer the opportunity to have the property inspected by a licensed home inspector prior to the builder's New Home Orientation. Buyers may not rescind due to findings on a Third Party Home Inspection. Buyers may submit a Form 35R.
- 27. IT IS FURTHER AGREED that the Listing Agent or Seller has the right and authorization to contact the Purchaser, directly, as needed.
- 28. INTERPRETATION. This Addendum shall supersede and prevail in any conflict between the Agreement to which this Addendum is attached and made a part of. Only handwritten or typed changes to the Agreement or this addendum shall have effect, provided that they are initialed by both Purchaser and Seller.

Buyers Initials _____

| Sellers Initials |
|------------------|
|------------------|

Hunter Homes Building Group - New Construction Addendum-Woodbrook 1-2-14 HUNTEHB905LS 4 of 6

Hunter

New Construction Addendum-Woodbrook

- 29. WARRANTY. Seller will provide Purchaser with a 2-10 Home Buyers Warranty (2-10 HBW) at no cost to Purchaser. At closing, escrow officer will order 2-10 HBW to be administered by Home Buyers Warranty Corporation and mailed direct to Purchaser. Purchaser is aware a **sample** copy of 2-10 HBW is available for review and Purchaser agrees that he/she has either received a copy of same or will request and review a copy of same. As consideration for the 2-10 HBW, Purchaser agrees to the provisions of Warranty and agrees this Warranty supersedes any different or inconsistent provisions in the Purchase & Sale Contract. Any and all claims or disputes between Seller, Purchaser and HBW and/or the Warranty Insurer arising from or relating to the 2-10 HBW shall be submitted to arbitration according to the Arbitration Agreement contained within the 2-10 HBW.
- **30. POSSESSION.** Purchaser shall be entitled to possession of their new home on the closing date, which is the date title transfer is recorded at the County. Keys will be released to Buyer(s) upon notification from Escrow that the county recording numbers have been received and funds are made available to the Seller.
- 31. BROKER COMMISSIONS. Real Estate commissions will be paid on base price and will not be paid on sales price that includes seller paid closing costs, upgrades or any concessions which have been added to base price.
- **32.** UTILITIES PAID OUTSIDE OF ESCROW. Seller agrees to pay any utility or special district installments due at the time of Closing. Seller agrees to make such payments outside of escrow. Seller and Purchaser hereby waive their right under RCW.60.80 to have the Title Co. administer the payment of such installments, or any other charges that may be due at closing as described in RCW.60.80, and hereby waive any liability of the Title Co. for collection. Buyer agrees to notify utility companies (gas, electricity, water, sewer, etc.) and make necessary arrangements to transfer billings effective as of the date of closing.

Buyers Initials

| Sellers Initials |
|------------------|
| |



New Construction Addendum-Woodbrook

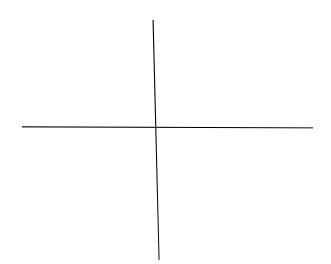
| PURCHASER | | DATE | |
|-----------|-------|------|--|
| PURCHASER | | DATE | |
| ADDRESS | | | |
| PHONE | EMAIL | | |
| | | | |
| | | | |
| SELLER | | DATE | |

| Hunter Homes Building Group - New Construction Addendum-Woodbrook 1-2-14 HUNTEHB905LS 6 o |
|-------------------------------------------------------------------------------------------|
|-------------------------------------------------------------------------------------------|

EXHIBIT "1"

Lot _____ of Lots 1-20 of The Plat of Woodbrook @ Wohlford Addition, recorded under Pierce County Recording No. 201211295001 (together with real property described in Covenants, Conditions, and Restrictions for Wohlford Addition recorded under same recording number).

SITUATED IN THE COUNTY OF PIERCE, STATE OF WASHINGTON.



IDENTIFICATION OF UTILITIES ADDENDUM TO PURCHASE AND SALE AGREEMENT

| The following is pa | art of the Purchase and Sale Agreeme | ent dated | _ 1 |
|---------------------|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|----------|
| between | | ("Buyer" |) 2 |
| and Hunter Ho | omes Building Group | ("Seller" | |
| | | (the "Property") | • 4 |
| necessary to satis | | Closing Agent to administer the disbursement of closing funds e Property. The names and addresses of all utilities providing ows: | |
| WATER DISTRICT: | | Firgrove Mutual Water | 8 |
| | For | Name 253-845-1542 Address | - |
| SEWER DISTRICT: | Informational | City, State, Zip Pierce County Sewer | 11 |
| | Purposes Only. | Name 253-798-4020 Address | 12 |
| | See Bldrs | City, State, Zip | - |
| Addendum Pg. 5 | | Name | |
| | Par. 31. | Address | |
| GARBAGE: | | | 17 |
| | | 253-537-6634 Address | |
| ELECTRICITY: | | | 19 20 |
| | | Name 888-225-5773 Address | 21 |
| GAS: | | City, State, Zip PSE | |
| | | Name 888-225-5773 | |
| | | Address | 25 |
| SPECIAL DISTRICT(| S): stricts or utility local improvement districts) | City, State, Zip | 26 |
| | | | 27 |
| | | | 28 |

City, State, Zip

If the above information has not been filled in at the time of mutual acceptance of this Agreement, then (1) within 29

days (5 if not filled in) of mutual acceptance of this Agreement, Seller shall provide the Listing Broker or 30 Selling Broker with the names and addresses of all utility providers having lien rights affecting the Property and (2) 31 Buyer and Seller authorize Listing Broker or Selling Broker to insert into this Addendum the names and addresses of 32 the utility providers identified by Seller. 33

Nothing in this Addendum shall be construed to diminish or alter the Seller's obligation to pay all utility charges 34 (including unbilled charges). Buyer understands that the Listing Broker and Selling Broker are not responsible for, or 35 to insure payment of, Seller's utility charges. 36

| Initials: BUYER: | Date: | SELLER: | Date: |
|------------------|-------|---------|-------|
| BUYER: | Date: | SELLER: | Date: |

SELLER: Hunter Homes Building Group, LLC

SELLER DISCLOSURE STATEMENT † IMPROVED PROPERTY

[†] To be used in transfers of improved residential real property, including residential dwellings up to four units, new construction, condominiums 2

1

not subject to a public offering statement, certain timeshares, and manufactured and mobile homes. See RCW Chapter 64.06 and Section 3 43.22.432 for further explanations. 4 INSTRUCTIONS TO THE SELLER 5 Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property write "NA." If the 6 answer is "yes" to any asterisked (*) item(s), please explain on attached sheets. Please refer to the line number(s) of the question(s) when you 7 provide your explanation(s). For your protection you must date and initial each page of this disclosure statement and each attachment. Delivery 8 of the disclosure statement must occur not later than five (5) business days, unless otherwise agreed, after mutual acceptance of a written 9 purchase and sale agreement between Buyer and Seller. 10 NOTICE TO THE BUYER 11 THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT 12 Woodbrook at Wohlford Addition lots 1-9 , 13 , COUNTY Pierce CITY Puyallup ("THE PROPERTY")14 OR AS LEGALLY DESCRIBED ON THE ATTACHED EXHIBIT A. SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING 15 MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT 16 THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN 17 WRITING, YOU HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS 18 DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN 19 STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED 20 DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER 21 INTO A PURCHASE AND SALE AGREEMENT. 22 THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE 23 LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF 24 ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER. 25 FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO 26 OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT 27 LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON- 28 SITE WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS, THE PROSPECTIVE BUYER AND SELLER 29 MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE 30 PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS OR WARRANTIES. 31 Seller \Box is/ $\not{\Box}$ is not occupying the property. 32 33 I. **SELLER'S DISCLOSURES:** * If you answer "Yes" to a question with an asterisk (*), please explain your answer and attach documents, if available and not otherwise 34 publicly recorded. If necessary, use an attached sheet. 35 YES NO DON'T 36 TITLE KNOW 37 1. A. Do you have legal authority to sell the property? If no, please explain. 38 39 Is title to the property subject to any of the following? 40 (1) First right of refusal 41 (3) Lease or rental agreement 42 43 (4) Life estate? *C. Are there any encroachments, boundary agreements, or boundary disputes?...... 44 45 *D. Is there a private road or easement agreement for access to the property?...... 46 Are there any rights-of-way, casements, or access limitations that may affect the *Ê. 47 Buyer's use of the property? 48 *F. Are there any written agreements for joint maintenance of an easement or right-of-way?...... 49 *G. Is there any study, survey project, or notice that would adversely affect the property? 50 *H. Are there any pending or existing assessments against the property?...... 51 Are there any zoning violations, nonconforming uses, or any unusual restrictions on the *1 52 property that would affect future construction or remodeling? 53 *J. Is there a boundary survey for the property? 54 *K. Are there any covenants, conditions, or restrictions recorded against the property?

PLEASE NOTE: Covenants, conditions, and restrictions which purport to forbid or restrict the conveyance, encumbrance, occupancy, or 55 lease of real property to individuals based on race, creed, color, sex, national origin, familial status, or disability are void, unenforceable, and illegal. RCW 49.60.224. 57

SELLER DISCLOSURE STATEMENT IMPROVED PROPERTY

(Continued)

| 2. | | ATER | | YES | NO | DON'T KNOW | 59 |
|----|----|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------|---------------|----------|
| | А. | | The source of water for the moments in D Drivete or sublicity over a water of the source of the sour | | | | 60 61 |
| | | (1) | The source of water for the property is: Private or publicly owned water system Private well serving only the subject property * Other water system | | | | 62 |
| | | | *If shared, are there any written agreements? | п | | | 63 |
| | | *(2) | Is there an easement (recorded or unrecorded) for access to and/or maintenance | | | - | 64 |
| | | (2) | of the water source? | D | | D | 65 |
| | | *(3) | Are there any problems or repairs needed? | | | | 66 |
| | | (4) | During your ownership, has the source provided an adequate year-round supply | | | | 67 |
| | | | of potable water? | | | | 68 |
| | | | If no, please explain: | | | | 69 |
| | | *(5) | Are there any water treatment systems for the property? | 🗅 | | | 70 |
| | | | If yes, are they: 🗆 Leased 🗳 Owned | | | | 71 |
| | | *(6) | Are there any water rights for the property associated with its domestic water supply, | | | | 72 |
| | | | such as a water right permit, certificate, or claim? | | | | 73 |
| | | | (a) If yes, has the water right permit, certificate, or claim been assigned, transferred, | | | | 74 |
| | | | or changed? | | | | 75 |
| | | | *(b) If yes, has all or any portion of the water right not been used for five or more | D | | | 76 |
| | | *(7) | successive years? | | | | 77 78 |
| | B. | | Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)? tion Water | | | | 79 |
| | D. | | Are there any irrigation water rights for the property, such as a water right permit, | | | | 80 |
| | | (1) | certificate, or claim? | | | | 81 |
| | | | *(a) If yes, has all or any portion of the water right not been used for five or more | | | _ | 82 |
| | | | successive years? | | | | 83 |
| | | | *(b) If so, is the certificate available? (If yes, please attach a copy.) | | | | 84 |
| | | | *(c) If so, has the water right permit, certificate, or claim been assigned, | | | | 85 |
| | | + (0) | transferred, or changed? | | | | 86 |
| | | *(2) | Does the property receive irrigation water from a ditch company, irrigation district, or other entit | ty? 🖬 | | | 87 |
| | | | If so, please identify the entity that supplies water to the property: | | | | 88 |
| | G | 0 | | | | | 89 |
| | C. | | oor Sprinkler System | D | | | 90 |
| | | | Is there an outdoor sprinkler system for the property? If yes, are there any defects in the system? | | | | 91 |
| | | | If yes, is the sprinkler system connected to irrigation water? | | | | 92 |
| | | (\mathbf{J}) | If yes, is the spinicker system connected to imgation water - | (mail | | | 93 |
| 3. | SE | WER | /ON-SITE SEWAGE SYSTEM | | | | 94 |
| | | | property is served by: | | | | 95 |
| | | | Public sewer system D On-site sewage system (including pipes, tanks, drainfields, and all other | component pa | rts) | | 96 |
| | | | Other disposal system | | | | 97 |
| | | | ise describe: | | | | 98 |
| | В. | | ublic sewer system service is available to the property, is the house | | | _ | 99 |
| | | con | nected to the sewer main? | | | | 100 |
| | | | o, please explain: | | | | 101 |
| | *C | | e property subject to any sewage system fees or charges in addition to those covered | | | | 102 |
| | | | our regularly billed sewer or on-site sewage system maintenance service? | | | | 103 |
| | D. | | e property is connected to an on-site sewage system: | | | | 104 |
| | | *(1) | Was a permit issued for its construction, and was it approved by the local health department or district following its construction? | | | | 105 |
| | | | | | lund | | 106 |
| | | (2) | When was it last pumped?Are there any defects in the operation of the on-site sewage system? | | | | 107 |
| | | | | | Q | 10-00-00 | 108 |
| | | (4) | When was it last inspected? | | | | 109 |
| | | | By whom: | | | | 110 |
| | | (5) | For how many bedrooms was the on-site sewage system approved? bedrooms | | | | 111 |

| SELLER'S INITIALS: | azK | Date: $4 - 3 - 13$ | SELLER'S INITIALS: | Date: |
|--------------------|-----|--------------------|--------------------|-------|
|--------------------|-----|--------------------|--------------------|-------|

| Form 17 Seller Disclosure Statemer Rev. 06/12 Page 3 of 5 | | ure Statement | t SELLER DISCLOSURE STATEMENT IMPROVED PROPERTY (Continued) | | | ©Copyright 2012 Northwest Multiple Listing Service ALL RIGHTS RESERVED | | | | | | |
|--------------------------------------------------------------------|------|---------------|-------------------------------------------------------------------|------------------------|---------------------------|------------------------------------------------------------------------------|-----------------------|-------------|-------|----|-------|----------------|
| i ag | 000 | | | | | (Contanta | | | YES | NO | DON'T | 112 |
| | E. | | all plumbing fixtures, er/on-site sewage system | | | | | | | | KNOW | 113 114 |
| | | | o, please explain: | | | | | | | | | 115 |
| | | | e there been any chang | 700 Contraction (1997) | ÷ | | | | | | | 116 |
| | G. | | he on-site sewage syste hin the boundaries of the | | | | | | | | | 117 118 |
| | | | | 10 C | 5 | | | | | | 9 | 119 |
| | *14 | | es the on-site sewage s | | equire monitoring ar | | | | | | | |
| | | | uently than once a yea | | | | | | | | | 120 121 |
| WH | IICH | HA | 7 THIS RESIDENTI S NEVER BEEN OC | CUPIF | ED, SELLER IS NO | OT REQUI | | | | | | v 122 ≰ 123 |
| (81 | | | RAL) OR ITEM 5 (SY | (STEM | IS AND FIXTURE | S). | | | | | | 124 |
| 4. | | | TURAL | | | | | | | | | 125 |
| | | | the roof leaked within | | | | | | | | | 126 |
| | | | the basement flooded | | | | | | | | | 127 |
| | *C. | | there been any conv | | | - | | | | | | 128 |
| | | |) If yes, were all buildi | | | | | | | | | 129 |
| | D | |) If yes, were all final i | | | | | | | | | 130 131 |
| | D. | | you know the age of the es, year of original con | | | | | | | | | 131 |
| | *17 | | there been any settling | | | | | | | ū | | 133 |
| | | | there any defects with | | • | | | | | | | 134 |
| | 1. | | Foundations | | Decks | | Exterior Walls | spiani.) | | | - | 135 |
| | | | Chimneys | | Interior Walls | | Fire Alarms | | | | | 136 |
| | | | Doors | | Windows | | Patio | | | | | 137 |
| | | | Ceilings | | Slab Floors | | Driveways | | | | | 138 |
| | | | Pools | | Hot Tub | | Sauna | | | | | 139 |
| | | | Sidewalks | | Outbuildings | | Fireplaces | | | | | 140 |
| | | | Garage Floors | | Walkways | | Wood Stoves | | | | | 141 |
| | | | Siding | | Other | | | | | | | 142 |
| | *G. | Wa | s a structural pest or "v | whole h | | | | | 🖬 | | | 143 |
| | | Ify | es, when and by whom | was th | e inspection comple | ted? | | | | | | 144 145 |
| | H. | Dur | ring your ownership, h | as the p | roperty had any woo | d destroying | g organism or pest i | nfestation? | | | | 146 |
| | | | he attic insulated? | | | | | | | | | 147 |
| | J. | Is th | he basement insulated? | | | | | | 🗅 | | | 148 |
| 5. | SYS | TEN | MS AND FIXTURES | | | | | | | | | 149 |
| | *A. | Ifa | ny of the following sys | tems or | fixtures are include | d with the tr | ansfer, are there an | y defects? | | | | 150 |
| | | | es, please explain: | | | | | | | | | 151 |
| | | Elec | ctrical system, includir | ng wirin | g, switches, outlets, | and service | | •••••• | | | | 152 |
| | | | mbing system, includit water tank | | | | | | | | | 153 154 |
| | | | bage disposal | | | | | | | | | 155 |
| | | | pliances | | | | | | | | | 156 |
| | | | np pump | | | | | | | | | 157 158 |
| | | | ating and cooling system writy system Owner | | | | | | | | | 159 |
| | | Oth | | | | | | | | | | 160 |
| | *R | | ny of the following fix | tures or | property is included | d with the tr | unsfer are they lease | ed? | | | — | 161 |
| | Б. | (If y | yes, please attach copy | of lease | e.) | | | | | | | 162 |
| | | | urity System | | | | | | | | | 163 |
| | | | iks (type): | | | | | | | | | 164 |
| | | Sate | ellite dish | | | | | | | | | 165 |
| | | Oth | ier: | | ta test brides the second | | | | ū | | | 166 |
| SEI | LER | 'S Iì | NITIALS: <u>ALK</u> | | Date: <u>4-3-1</u> | 3 SELI | LER'S INITIALS: | | Date: | | | - |

SELLER DISCLOSURE STATEMENT IMPROVED PROPERTY

(Continued)

| | *C. Are any of the following kinds of wood burning appliances present at the property? | YES | NO | DON'T KNOW | 167 168 |
|------|-------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------|---------------|------------|
| | (1) Woodstove? | | | | 169 |
| | (2) Fireplace insert? | | | | 170 |
| | (3) Pellet stove? | | | | 171 |
| | (4) Fireplace? | | | | 172 |
| | Protection Agency as clean burning appliances to improve air quality and public health? | | Q | | 173 174 |
| | D. Is the property located within a city, county, or district or within a department of natural resource | | - | - | 175 |
| | fire protection zone that provides fire protection services? | | | | 176 |
| | E. Is the property equipped with carbon monoxide alarms? (Note: Pursuant to RCW 19.27.530, Se | | | | 177 |
| | must equip the residence with carbon monoxide alarms as required by the state building code.) | | | | 178 |
| | F. Is the property equipped with smoke alarms? | | | | 179 |
| 6. | HOMEOWNERS' ASSOCIATION/COMMON INTERESTS | | | | 180 |
| | A. Is there a Homeowners' Association? | | | | 181 |
| | Name of Association and contact information for an officer, director, employee, or other authoriz | | | | 182 |
| | agent, if any, who may provide the association's financial statements, minutes, bylaws, fining po | | | | 183 |
| | and other information that is not publicly available: | | | | 184 |
| | B. Are there regular periodic assessments? | 🛛 | | | 185 |
| | \$per □ month □ year | | | | 186 |
| | □ Other | | | | 187 |
| | C. Are there any pending special assessments? | | | | 188 |
| | *D. Are there any shared "common areas" or any joint maintenance agreements (facilities | | | | 189 |
| | such as walls, fences, landscaping, pools, tennis courts, walkways, or other areas co-owned | | _ | _ | 190 |
| | in undivided interest with others)? | ······ | | | 191 |
| 7. | ENVIRONMENTAL | | | | 192 |
| | *A. Have there been any flooding, standing water, or drainage problems on the property | | | | 193 |
| | that affect the property or access to the property? | | N | | 194 |
| | *B. Does any part of the property contain fill dirt, waste, or other fill material? | | Ŋ | | 195 |
| | *C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides? | | V | | 196 197 |
| | D. Are there any shorelines, wetlands, floodplains, or critical areas on the property? | | N | | 197 |
| | *E. Are there any substances, materials, or products in or on the property that may be environmental | | | _ | 199 |
| | concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage | | | | 200 |
| | tanks, or contaminated soil or water? | | | | 201 |
| | *F. Has the property been used for commercial or industrial purposes? | | ⊠ ⊠ | | 202 |
| | *G. Is there any soil or groundwater contamination? | | ΩĽ1 | | 203 204 |
| | or buried on the property that do not provide utility service to the structures on the property? | | ⊠1 | | 204 |
| | *1. Has the property been used as a legal or illegal dumping site? | | | | 206 |
| | *J. Has the property been used as an illegal drug manufacturing site? | | Ŋ | | 207 |
| | *K. Are there any radio towers in the area that cause interference with cellular telephone reception? . | 🗅 | Ń | | 208 |
| 8. | LEAD BASED PAINT (Applicable if the house was built before 1978.) | | | | 209 |
| | A. Presence of lead-based paint and/or lead-based paint hazards (check one below): | | | | 210 |
| | Known lead-based paint and/or lead-based paint hazards are present in the housing | | | | 211 |
| | (cxplain). | | | | 212 |
| | Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing. | | | | 212 |
| | B. Records and reports available to the Seller (check one below): | | | | 214 |
| | Seller has provided the purchaser with all available records and reports pertaining to | | | | 215 |
| | lead-based paint and/or lead-based paint hazards in the housing (list documents below). | | | | 216 |
| | | <u>.</u> | | | 217 |
| | Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazard | ds in the housing. | | | 218 |
| 9. | MANUFACTURED AND MOBILE HOMES | | | | 219 |
| | If the property includes a manufactured or mobile home, | - | | | 220 |
| | *A. Did you make any alterations to the home? | | | | 221 |
| | If yes, please describe the alterations:*B. Did any previous owner make any alterations to the home? | _ | _ | _ | 222 |
| | *B. Did any previous owner make any alterations to the home? | | | | 223 |
| | *C. If alterations were made, were permits or variances for these alterations obtained? | ······································ | | | 224 |
| CEI | ELLER'S INITIALS: <u><i>ALK</i></u> Date: <u>4-3-13</u> SELLER'S INITIALS: | Date: | | | |
| 9.01 | ALAAN O INCLIAND DALE DALE DELLER O INCLIAND | Date: | | | - |

Form 17 Seller Disclosure Statement Rev. 06/12 Page 5 of 5

SELLER DISCLOSURE STATEMENT IMPROVED PROPERTY

| (Co. | mhin | | J1 - |
|-------|-------|-----|------|
| 16.61 | ***** | mer | ,, |

| 10. FULL DISCLOSURE BY SELLERS A. Other conditions or defects: | YES | NO | DON'T KNOW | 226 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|---------------------------------------|------------------------------------------|--------------------------|
| *Are there any other existing material defects affecting the property that a prospective buyer should know about? | | | | 227 228 |
| B. Verification The foregoing answers and attached explanations (if any) are complete and correct to the best of Sell received a copy hereof. Seller agrees to defend, indemnify and hold real estate licensees harmless from that the above information is inaccurate. Seller authorizes real estate licensees, if any, to deliver a copy other real estate licensees and all prospective buyers of the property. Date: <u>4-3-13</u> Date: Seller: <u>Hume K Knohen</u> Soller: | er's knowl and agains of this dis | st any and closure s | all claims tatement to | 231 |
| NOTICES TO THE BUYER | | | | 236 |
| SEX OFFENDER REGISTRATION | | | | 237 |
| INFORMATION REGARDING REGISTERED SEX OFFENDERS MAY BE OBTAINED FROM LOC AGENCIES. THIS NOTICE IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN TH NOT AN INDICATION OF THE PRESENCE OF REGISTERED SEX OFFENDERS. | | | | 238 |
| PROXIMITY TO FARMING | | | | 241 |
| THIS NOTICE IS TO INFORM YOU THAT THE REAL PROPERTY YOU ARE CONSIDERING FOR CLOSE PROXIMITY TO A FARM. THE OPERATION OF A FARM INVOLVES USUAL AND CUSTO PRACTICES, WHICH ARE PROTECTED UNDER RCW 7.48.305, THE WASHINGTON RIGHT TO FA | MARY AG | GRICUL | | 242 243 244 |
| II. BUYER'S ACKNOWLEDGEMENT | | | | 245 |
| Buyer hereby acknowledges that: | | | | 246 |
| A. Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can b diligent attention and observation. | e known to |) Buyer t | oy utilizing | 247 |
| B. The disclosures set forth in this statement and in any amendments to this statement are made only by | the Seller | and not l | by any real | |
| estate licensee or other party. | | | ., ,, | 250 |
| C. Buyer acknowledges that, pursuant to RCW 64.06.050 (2), real estate licensees are not liable for inac Seller, except to the extent that real estate licensees know of such inaccurate information. | curate into | mation p | rovided by | 251 |
| D. This information is for disclosure only and is not intended to be a part of the written agreement between | | | | 253 |
| E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure st | atement be | low) has | received a | |
| copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature(s). F. If the house was built prior to 1978, Buyer acknowledges receipt of the pamphlet <i>Protect Your Family I</i> | From Lead | in Your H | lome | 255 256 |
| DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BAS KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE. UNI OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE (3) BUSINESS DAYS FROM THE J AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERIN WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT. | ED ON SI ESS BUY DAY SELI IG A SEPA | ELLER'S ER AND ER OR S RATEL | ACTUAL SELLER SELLER'S Y SIGNED | 257 258 259 260 |
| BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AN | | | | |
| THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY RE OTHER PARTY. | AL ESTA | TE LICE | NSEE OR | 264 265 |
| DATE: DATE: | | | | 266 |
| BUYER:BUYER: | | | | 267 |
| BUYER'S WAIVER OF RIGHT TO REVOKE OFFER | | | 2022 22 | 268 |
| Buyer has read and reviewed the Seller's responses to this Seller Disclosure Statement. Buyer approves this state to revoke Buyer's offer based on this disclosure. | ment and v | waives Bu | iyer's right | |
| DATE: DATE: | | | | 270 271 |
| BUYER:BUYER: | | 8.8 | | 272 |
| BUYER'S WAIVER OF RIGHT TO RECEIVE COMPLETED SELLER DISCLOSURE S | | | | 273 |
| Buyer has been advised of Buyer's right to receive a completed Seller Disclosure Statement. Buyer waives that rig any of the questions in the section entitled "Environmental" would be "yes," Buyer may not waive the receipt of t the Seller Disclosure Statement. | ht. Howev he "Enviro | er, if the a nmental" | | 274 275 |
| DATE: DATE: | | | | 276 277 |
| BUYER:BUYER: | | | | 278 |
| If the answer is "Yes" to any asterisked (*) items, please explain below (use additional sheets if necessary). Please | | | | |
| the question(s). | | | | 280 |
| | | | | 281 |
| | | | | 282 283 |
| | | | | 400 |

| SELLER'S INITIALS: <u>ULX</u> Date: <u>4-3-13</u> SELLER'S INITIALS: | SELLER'S INITIALS: | OL-K | Date: <u>4-3-13</u> SELLER'S INITIALS: | N |
|----------------------------------------------------------------------|--------------------|------|----------------------------------------|---|
|----------------------------------------------------------------------|--------------------|------|----------------------------------------|---|

.....