

Form 21
Residential Purchase & Sale Agreement
Rev. 7/19
Page 1 of 6

N [Redacted]
ALL RIGHTS RESERVED 7/29/19
[Redacted]

**RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS**

7/29/2019

- 1. Date: July 25, 2019 MLS No.: 201920396 Offer Expiration Date: ~~7/26/2019~~
- 2. Buyer: [Redacted] Buyer Status: An unmarried person
- 3. Seller: Secured Investment Corp Seller
- 4. Property: Legal Description attached as Exhibit A. Tax Parcel No(s): 36333.3420
1428 E Olympic Ave Spokane Spokane WA 99207
Address City County State Zip
- 5. Included Items: stove/range; refrigerator; washer; dryer; dishwasher; hot tub; fireplace insert;
 wood stove; satellite dish; security system; attached television(s); attached speaker(s); microwave;
 generator; other _____
- 6. Purchase Price: \$ 210,000.00 Two Hundred Ten Thousand Dollars
- 7. Earnest Money: \$ 1,000.00 Check; Note; Other _____ (held by Selling Firm; Closing Agent)
- 8. Default: (check only one) Forfeiture of Earnest Money; Seller's Election of Remedies
- 9. Title Insurance Company: First American Title
- 10. Closing Agent: Gustafson Law Company Individual (optional)
- 11. Closing Date: 9/9/2019 Possession Date: on Closing; Other _____
- 12. Services of Closing Agent for Payment of Utilities: Requested (attach NWMLS Form 22K); Waived
- 13. Charges/Assessments Levied Before but Due After Closing: assumed by Buyer; prepaid in full by Seller at Closing
- 14. Seller Citizenship (FIRPTA): Seller is; is not a foreign person for purposes of U.S. income taxation
- 15. Agency Disclosure: Selling Broker represents: Buyer; Seller; both parties; neither party
Listing Broker represents: Seller; both parties
- 16. Addenda: 22A(Financing) 22B(Sale Contingency) 22D(Optional Clauses) 22J(Lead Disclosure)
22K(Utilities) 22T(Title Contingency) 22VV(HO Insurance) 34(Addendum)
35(Inspection) Spokane Addendum

[Redacted] 07/25/2019
Buyer's Signature Date

[Redacted] _____
Buyer's Signature Date

[Redacted] _____
Buyer's Address

Spanaway WA 98387
City, State, Zip

[Redacted] _____
Phone No. Fax No.

[Redacted] _____
Buyer's E-mail Address

John L Scott, Inc. 258
Selling Firm MLS Office No.

Debbie L Zimmerman 14629
Selling Broker (Print) MLS LAG No.

509-455-8600 509-294-1774 509-626-0696
Firm Phone No. Broker Phone No. Firm Fax No.

notices.spokane@johnlscott.com
Selling Firm Document E-mail Address

[Redacted] _____
Selling Broker's E-mail Address

115043 2236
Selling Broker DOL License No. Selling Firm DOL License No.

[Redacted] 7/29/19
Seller's Signature Date

[Redacted] _____
Seller's Signature Date

701 E Front Ste 200
Seller's Address

CDA ID 83814
City, State, Zip

800 341 9918 _____
Phone No. Fax No.

[Redacted] _____
Seller's E-mail Address

Keller Williams Spokane - Main 872
Listing Firm MLS Office No.

Lee Arnold 15079
Listing Broker (Print) MLS LAG No.

509-458-4000 801-574-4020 509-458-4001
Firm Phone No. Broker Phone No. Firm Fax No.

firmbroker@kwspokane.com
Listing Firm Document E-mail Address

[Redacted] _____
Listing Broker's E-mail Address

25890 51965
Listing Broker DOL License No. Listing Firm DOL License No.

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- a. **Purchase Price.** Buyer shall pay to Seller the Purchase Price, including the Earnest Money, in cash at Closing, unless otherwise specified in this Agreement. Buyer represents that Buyer has sufficient funds to close this sale in accordance with this Agreement and is not relying on any contingent source of funds, including funds from loans, the sale of other property, gifts, retirement, or future earnings, except to the extent otherwise specified in this Agreement. The parties shall use caution when wiring funds to avoid potential wire fraud. Before wiring funds, the party wiring funds shall take steps to confirm any wire instructions via an independently verified phone number and other appropriate measures.
- b. **Earnest Money.** Buyer shall deliver the Earnest Money within 2 days after mutual acceptance to Selling Broker or to Closing Agent. If Buyer delivers the Earnest Money to Selling Broker, Selling Broker will deposit any check to be held by Selling Firm, or deliver any Earnest Money to be held by Closing Agent, within 3 days of receipt or mutual acceptance, whichever occurs later. If the Earnest Money is held by Selling Firm and is over \$10,000.00 it shall be deposited into an interest bearing trust account in Selling Firm's name provided that Buyer completes an IRS Form W-9. Interest, if any, after deduction of bank charges and fees, will be paid to Buyer. Buyer shall reimburse Selling Firm for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Firm is over \$10,000.00 Buyer has the option to require Selling Firm to deposit the Earnest Money into the Housing Trust Fund Account, with the interest paid to the State Treasurer, if both Seller and Buyer so agree in writing. If the Buyer does not complete an IRS Form W-9 before Selling Firm must deposit the Earnest Money or the Earnest Money is \$10,000.00 or less, the Earnest Money shall be deposited into the Housing Trust Fund Account. Selling Firm may transfer the Earnest Money to Closing Agent at Closing. If all or part of the Earnest Money is to be refunded to Buyer and any such costs remain unpaid, the Selling Firm or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and Brokers at the addresses and/or fax numbers provided herein.

Upon termination of this Agreement, a party or the Closing Agent may deliver a form authorizing the release of Earnest Money to the other party or the parties. The party(s) shall execute such form and deliver the same to the Closing Agent. If either party fails to execute the release form, a party may make a written demand to the Closing Agent for the Earnest Money. Pursuant to RCW 64.04, Closing Agent shall deliver notice of the demand to the other party within 15 days. If the other party does not object to the demand within 20 days of Closing Agent's notice, Closing Agent shall disburse the Earnest Money to the party making the demand within 10 days of the expiration of the 20 day period. If Closing Agent timely receives an objection or an inconsistent demand from the other party, Closing Agent shall commence an interpleader action within 60 days of such objection or inconsistent demand, unless the parties provide subsequent consistent instructions to Closing Agent to disburse the earnest money or refrain from commencing an interpleader action for a specified period of time. Pursuant to RCW 4.28.080, the parties consent to service of the summons and complaint for an interpleader action by first class mail, postage prepaid at the party's usual mailing address or the address identified in this Agreement. If the Closing Agent complies with the preceding process, each party shall be deemed to have released Closing Agent from any and all claims or liability related to the disbursement of the Earnest Money. If either party fails to authorize the release of the Earnest Money to the other party when required to do so under this Agreement, that party shall be in breach of this Agreement. For the purposes of this section, the term Closing Agent includes a Selling Firm holding the Earnest Money. The parties authorize the party commencing an interpleader action to deduct up to \$500.00 for the costs thereof.

- c. **Included Items.** Any of the following items, including items identified in Specific Term No. 5 if the corresponding box is checked, located in or on the Property are included in the sale: built-in appliances; wall-to-wall carpeting; curtains, drapes and all other window treatments; window and door screens; awnings; storm doors and windows; installed television antennas; ventilating, air conditioning and heating fixtures; trash compactor; fireplace doors, gas logs and gas log lighters; irrigation fixtures; electric garage door openers; water heaters; installed electrical fixtures; lighting fixtures; shrubs, plants and trees planted in the ground; and other fixtures; and all associated operating remote controls. Unless otherwise agreed, if any of the above items are leased or encumbered, Seller shall acquire clear title before Closing.
- d. **Condition of Title.** Unless otherwise specified in this Agreement, title to the Property shall be marketable at Closing. The following shall not cause the title to be unmarketable: rights, reservations, covenants, conditions and restrictions, presently of record and general to the area; easements and encroachments, not materially affecting the value of or unduly interfering with Buyer's reasonable use of the Property; and reserved oil and/or mining rights. Seller shall not convey or reserve any oil and/or mineral rights after mutual acceptance without Buyer's written consent. Monetary encumbrances or liens not assumed by Buyer, shall be paid or discharged by Seller on or before Closing. Title shall be conveyed by a Statutory Warranty Deed. If this Agreement is for conveyance of a buyer's interest in a Real Estate Contract, the Statutory Warranty Deed shall include a buyer's assignment of the contract sufficient to convey after acquired title.
- e. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of Homeowner's Policy of Title Insurance for One-to-Four Family Residence, from the Title Insurance Company. If Seller previously received a preliminary commitment from a Title Insurance Company that Buyer declines to use, Buyer shall pay any cancellation fees owing to the original Title Insurance Company. Otherwise, the party applying for title insurance shall pay any title cancellation fee, in the event such a fee is assessed. If the Title Insurance

07/25/2019
Buyer's Initials Date

Buyer's Initials Date

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Seller's Initials Date

Seller's Initials Date

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Company selected by the parties will not issue a Homeowner's Policy for the Property, the parties agree that the Title Insurance Company shall instead issue the then-current ALTA standard form Owner's Policy, together with homeowner's additional protection and inflation protection endorsements, if available. The Title Insurance Company shall send a copy of the preliminary commitment to Seller, Listing Broker, Buyer and Selling Broker. The preliminary commitment, and the title policy to be issued, shall contain no exceptions other than the General Exclusions and Exceptions in the Policy and Special Exceptions consistent with the Condition of Title herein provided. If title cannot be made so insurable prior to the Closing Date, then as Buyer's sole and exclusive remedy, the Earnest Money shall, unless Buyer elects to waive such defects or encumbrances, be refunded to the Buyer, less any unpaid costs described in this Agreement, and this Agreement shall thereupon be terminated. Buyer shall have no right to specific performance or damages as a consequence of Seller's inability to provide insurable title.


f. Closing and Possession. This sale shall be closed by the Closing Agent on the Closing Date. If the Closing Date falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. Seller shall deliver keys and garage door remotes to Buyer on the Closing Date or on the Possession Date, whichever occurs first. Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller shall maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is provided possession. Seller shall either repair or replace any system or appliance (including, but not limited to plumbing, heat, electrical, and all Included Items) that becomes inoperative or malfunctions prior to Closing with a system or appliance of at least equal quality. Buyer reserves the right to walk through the Property within 5 days of Closing to verify that Seller has maintained the Property and systems/appliances as required by this paragraph. Seller shall not enter into or modify existing leases or rental agreements, service contracts, or other agreements affecting the Property which have terms extending beyond Closing without first obtaining Buyer's consent, which shall not be unreasonably withheld. If possession transfers at a time other than Closing, the parties shall execute NWMLS Form 65A (Rental Agreement/Occupancy Prior to Closing) or NWMLS Form 65B (Rental Agreement/Seller Occupancy After Closing) (or alternative rental agreements) and are advised of the need to contact their respective insurance companies to assure appropriate hazard and liability insurance policies are in place, as applicable.


RCW 19.27.530 requires the seller of any owner-occupied single-family residence to equip the residence with a carbon monoxide alarm(s) in accordance with the state building code before a buyer or any other person may legally occupy the residence following the sale. RCW 43.44.110 requires the seller of a dwelling unit, that does not have at least one smoke detection device, to provide at least one smoke detection device in the unit before the buyer or any other person occupies the unit following a sale. The parties acknowledge that the Brokers are not responsible for ensuring that Seller complies with RCW 19.27.530 or RCW 43.44.110. Buyer and Seller shall hold the Brokers and their Firms harmless from any claim resulting from Seller's failure to install a carbon monoxide alarm(s) or smoke detector(s) in the Property.

g. Section 1031 Like-Kind Exchange. If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like-kind exchange, then the other party shall cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorneys' fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to Closing. Notwithstanding the Assignment paragraph of this Agreement, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange.

h. Closing Costs and Prorations and Charges and Assessments. Seller and Buyer shall each pay one-half of the escrow fee unless otherwise required by applicable FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer shall pay Buyer's loan costs, including credit report, appraisal charge and lender's title insurance, unless provided otherwise in this Agreement. If any payments are delinquent on encumbrances which will remain after Closing, Closing Agent is instructed to pay such delinquencies at Closing from money due, or to be paid by, Seller. Buyer shall pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement from the supplier as to the quantity and current price and provides such statement to the Closing Agent. Seller shall pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 12, Seller and Buyer request the services of Closing Agent in disbursing funds necessary to satisfy unpaid utility charges in accordance with RCW 60.80 and Seller shall provide the names and addresses of all utilities providing service to the Property and having lien rights (attach NWMLS Form 22K Identification of Utilities or equivalent).

Buyer is advised to verify the existence and amount of any local improvement district, capacity or impact charges or other assessments that may be charged against the Property before or after Closing. Seller will pay such charges that are or become due on or before Closing. Charges levied before Closing, but becoming due after Closing shall be paid as agreed in Specific Term No. 13.

 07/25/2019
Buyer's Initials Date

 _____
Buyer's Initials Date

 _____
Seller's Initials Date

7/29/19

Seller's Initials Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- i. **Sale Information.** Listing Broker and Selling Broker are authorized to report this Agreement (including price and all terms) to the Multiple Listing Service that published it and to its members, financing institutions, appraisers, and anyone else related to this sale. Buyer and Seller expressly authorize all Closing Agents, appraisers, title insurance companies, and others related to this Sale, to furnish the Listing Broker and/or Selling Broker, on request, any and all information and copies of documents concerning this sale.
- j. **Seller Citizenship and FIRPTA.** Seller warrants that the identification of Seller's citizenship status for purposes of U.S. income taxation in Specific Term No. 14 is correct. Seller shall execute a certification (NWMLS Form 22E or equivalent) under the Foreign Investment in Real Property Tax Act ("FIRPTA") at Closing and provide the certification to the Closing Agent. If Seller is a foreign person for purposes of U.S. income taxation, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service.
- k. **Notices and Delivery of Documents.** Any notice related to this Agreement (including revocations of offers or counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and shall be deemed delivered only when the notice is received by Seller, by Listing Broker, or at the licensed office of Listing Broker. Notices to Buyer must be signed by at least one Seller and shall be deemed delivered only when the notice is received by Buyer, by Selling Broker, or at the licensed office of Selling Broker. Documents related to this Agreement, such as NWMLS Form 17, Information on Lead-Based Paint and Lead-Based Paint Hazards, Public Offering Statement or Resale Certificate, and all other documents shall be delivered pursuant to this paragraph. Buyer and Seller must keep Selling Broker and Listing Broker advised of their whereabouts in order to receive prompt notification of receipt of a notice.

Facsimile transmission of any notice or document shall constitute delivery. E-mail transmission of any notice or document (or a direct link to such notice or document) shall constitute delivery when: (i) the e-mail is sent to both Selling Broker and Selling Firm or both Listing Broker and Listing Firm at the e-mail addresses specified on page one of this Agreement; or (ii) Selling Broker or Listing Broker provide written acknowledgment of receipt of the e-mail (an automatic e-mail reply does not constitute written acknowledgment). At the request of either party, or the Closing Agent, the parties will confirm facsimile or e-mail transmitted signatures by signing an original document.
- l. **Computation of Time.** Unless otherwise specified in this Agreement, any period of time measured in days and stated in this Agreement shall start on the day following the event commencing the period and shall expire at 9:00 p.m. of the last calendar day of the specified period of time. Except for the Possession Date, if the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of 5 days or less, except for any time period relating to the Possession Date, shall not include Saturdays, Sundays or legal holidays. If the parties agree that an event will occur on a specific calendar date, the event shall occur on that date, except for the Closing Date, which, if it falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, shall occur on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. If the parties agree upon and attach a legal description after this Agreement is signed by the offeror and delivered to the offeror, then for the purposes of computing time, mutual acceptance shall be deemed to be on the date of delivery of an accepted offer or counteroffer to the offeror, rather than on the date the legal description is attached. Time is of the essence of this Agreement.
- m. **Integration and Electronic Signatures.** This Agreement constitutes the entire understanding between the parties and supersedes all prior or contemporaneous understandings and representations. No modification of this Agreement shall be effective unless agreed in writing and signed by Buyer and Seller. The parties acknowledge that a signature in electronic form has the same legal effect and validity as a handwritten signature.
- n. **Assignment.** Buyer may not assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless the parties indicate that assignment is permitted by the addition of "and/or assigns" on the line identifying the Buyer on the first page of this Agreement.
- o. **Default.** In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then the following provision, as identified in Specific Term No. 8, shall apply:
 - i. **Forfeiture of Earnest Money.** That portion of the Earnest Money that does not exceed five percent (5%) of the Purchase Price shall be forfeited to the Seller as the sole and exclusive remedy available to Seller for such failure.
 - ii. **Seller's Election of Remedies.** Seller may, at Seller's option, (a) keep the Earnest Money as liquidated damages as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity.
- p. **Professional Advice and Attorneys' Fees.** Buyer and Seller are advised to seek the counsel of an attorney and a certified public accountant to review the terms of this Agreement. Buyer and Seller shall pay their own fees incurred for such review. However, if Buyer or Seller institutes suit against the other concerning this Agreement, or if the party holding the Earnest Money commences an interpleader action, the prevailing party is entitled to reasonable attorneys' fees and expenses.

	07/25/2019		7/29/19
Buyer's Initials	Date	Seller's Initials	Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

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- q. **Offer.** This offer must be accepted by 9:00 p.m. on the Offer Expiration Date, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is received by the other party, by the other party's broker, or at the licensed office of the other party's broker pursuant to General Term k. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 173-175
- r. **Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of or change to Seller's name and Seller's warranty of citizenship status, shall be considered a counteroffer. If a party makes a counteroffer, then the other party shall have until 9:00 p.m. on the counteroffer expiration date to accept that counteroffer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is received by the other party, the other party's broker, or at the licensed office of the other party's broker pursuant to General Term k. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 177-182
- s. **Offer and Counteroffer Expiration Date.** If no expiration date is specified for an offer/counteroffer, the offer/counteroffer shall expire 2 days after the offer/counteroffer is delivered by the party making the offer/counteroffer, unless sooner withdrawn. 183-185
- t. **Agency Disclosure.** Selling Firm, Selling Firm's Designated Broker, Selling Broker's Branch Manager (if any) and Selling Broker's Managing Broker (if any) represent the same party that Selling Broker represents. Listing Firm, Listing Firm's Designated Broker, Listing Broker's Branch Manager (if any), and Listing Broker's Managing Broker (if any) represent the same party that the Listing Broker represents. If Selling Broker and Listing Broker are different persons affiliated with the same Firm, then both Buyer and Seller confirm their consent to Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. If Selling Broker and Listing Broker are the same person representing both parties then both Buyer and Seller confirm their consent to that person and his/her Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency." 186-194
- u. **Commission.** Seller and Buyer shall pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Firm's commission shall be apportioned between Listing Firm and Selling Firm as specified in the listing. Seller and Buyer hereby consent to Listing Firm or Selling Firm receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Firm and Selling Firm, as applicable, a portion of their funds in escrow equal to such commission(s) and irrevocably instruct the Closing Agent to disburse the commission(s) directly to the Firm(s). In any action by Listing or Selling Firm to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. Seller and Buyer agree that the Firms are intended third party beneficiaries under this Agreement. 195-202
- v. **Cancellation Rights/Lead-Based Paint.** If a residential dwelling was built on the Property prior to 1978, and Buyer receives a Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (NWMLS Form 22J) after mutual acceptance, Buyer may rescind this Agreement at any time up to 3 days thereafter. 203-205
- w. **Information Verification Period.** Buyer shall have 10 days after mutual acceptance to verify all information provided from Seller or Listing Firm related to the Property. This contingency shall be deemed satisfied unless Buyer gives notice identifying the materially inaccurate information within 10 days of mutual acceptance. If Buyer gives timely notice under this section, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. 206-209
- x. **Property Condition Disclaimer.** Buyer and Seller agree, that except as provided in this Agreement, all representations and information regarding the Property and the transaction are solely from the Seller or Buyer, and not from any Broker. The parties acknowledge that the Brokers are not responsible for assuring that the parties perform their obligations under this Agreement and that none of the Brokers has agreed to independently investigate or confirm any matter related to this transaction except as stated in this Agreement, or in a separate writing signed by such Broker. In addition, Brokers do not guarantee the value, quality or condition of the Property and some properties may contain building materials, including siding, roofing, ceiling, insulation, electrical, and plumbing, that have been the subject of lawsuits and/or governmental inquiry because of possible defects or health hazards. Some properties may have other defects arising after construction, such as drainage, leakage, pest, rot and mold problems. Brokers do not have the expertise to identify or assess defective products, materials, or conditions. Buyer is urged to use due diligence to inspect the Property to Buyer's satisfaction and to retain inspectors qualified to identify the presence of defective materials and evaluate the condition of the Property as there may be defects that may only be revealed by careful inspection. Buyer is advised to investigate whether there is a sufficient water supply to meet Buyer's needs. Buyer is advised to investigate the cost of insurance for the Property, including, but not limited to homeowner's, flood, earthquake, landslide, and other available coverage. Buyer acknowledges that local ordinances may restrict short term rentals of the Property. Buyer and Seller acknowledge that home protection plans may be available which may provide additional protection and benefit to Buyer and Seller. Brokers may assist the parties with locating and selecting third party service providers, such as inspectors or contractors, but Brokers cannot guarantee or be responsible for the services provided by those third parties. The parties shall exercise their own judgment and due diligence regarding third-party service providers. 210-229

07/25/2019
Buyer's Initials Date

Buyer's Initials Date

7/29/19
Seller's Initials Date Seller's Initials Date

**FINANCING ADDENDUM TO
PURCHASE & SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated July 25, 2019 1
between [Redacted] ("Buyer") 2
and Secured Investment Corp ("Seller") 3
concerning 1428 E Olympic Ave Spokane WA 99207 (the "Property"). 4
Address City State Zip

1. LOAN APPLICATION/WAIVER OF CONTINGENCY. 5

- a. **Loan Application.** This Agreement is contingent on Buyer obtaining the following type of loan or loans to purchase the Property (the "Loan(s)"): Conventional First; Conventional Second; Bridge; VA; FHA; USDA; Home Equity Line of Credit; Other _____ (the "Financing Contingency"). Buyer shall pay \$ 30,000.00; or _____ % of the Purchase Price down, in addition to the Loans. Buyer shall make application for the Loans to pay the balance of the Purchase Price and pay the application fee, if required, for the subject Property within 5 days (5 days if not filled in) after mutual acceptance of this Agreement. For the purposes of this Addendum, "application" means the submission of Buyer's financial information for the purposes of obtaining an extension of credit including Buyer's name, income, social security number (if required), the Property address, purchase price, and the loan amount. 6-15
- b. **Waiver of Financing Contingency.** If Buyer (i) fails to make application for financing for the Property within the agreed time; (ii) changes the type of loan at any time without Seller's prior written consent; or (iii) changes the lender without Seller's prior written consent after the agreed upon time to apply for financing expires, then the Financing Contingency shall be deemed waived. Buyer's waiver of the Financing Contingency under this Paragraph 1(b) also constitutes waiver of Paragraph 7 (Appraisal Less Than Sales Price). For purposes of this Addendum, "lender" means either the party to whom the application was submitted or the party funding the loan. 16-22

2. LOAN INFORMATION. 23

- a. **Seller's Request for Loan Information.** At any time 10 days (10 days if not filled in) after mutual acceptance, Seller may give, once, a notice requesting information related to the status of Buyer's loan application ("Request for Loan Information"). NWMLS Form 22AL may be used for this notice. 24-26
- b. **Buyer's Loan Information Notice.** Within 3 days (3 days if not filled in) of receiving Seller's Request for Loan Information, Buyer shall give notice of the status of Buyer's loan application ("Loan Information Notice"). Buyer's notice shall be on NWMLS Form 22AP and shall include the date of application, the name of lender, a list of the information that Buyer has provided to lender, and a warranty that Buyer has provided all information requested by lender. 27-31
- c. **Failure to Provide Loan Information Notice.** If Buyer fails to timely give to Seller a completed Loan Information Notice, Seller may give the Right to Terminate Notice described in Paragraph 3 (Seller's Right to Terminate) at any time after the date that the Loan Information Notice is due. 32-34

3. SELLER'S RIGHT TO TERMINATE. 35

- a. **Right to Terminate Notice.** At any time 30 days (30 days if not filled in) after mutual acceptance, Seller may give notice that Seller may terminate the Agreement at any time 3 days after delivery of that notice (the "Right to Terminate Notice"). NWMLS Form 22AR may be used for this notice. 36-38
- b. **Termination Notice.** If Buyer has not previously waived the Financing Contingency, Seller may give notice of termination of this Agreement (the "Termination Notice") any time following 3 days after delivery of the Right to Terminate Notice. If Seller gives the Termination Notice before Buyer has waived the Financing Contingency, this Agreement is terminated and the Earnest Money shall be refunded to Buyer. NWMLS Form 22AR shall be used for this notice. If not waived, the Financing Contingency shall survive the Closing Date. 39-43
- c. **Appraisal Less Than Sales Price.** Buyer's waiver of the Financing Contingency under this Paragraph 3 will; or will not (will, if not filled in) constitute waiver of Paragraph 7 (Appraisal Less Than Sales Price). 44-45

[Redacted] 07/25/2019 [Redacted] 7/29/19
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date

**FINANCING ADDENDUM TO
PURCHASE & SALE AGREEMENT**
Continued

4. **LOAN COST PROVISIONS.** Seller shall pay up to \$ _____; or _____% of the Purchase Price (\$0.00 if not filled in), which shall be applied to Buyer's Loan(s) and settlement costs, including prepaids, loan discount, loan fee, interest buy down, financing, closing or other costs allowed by lender. That amount shall include the following costs that lender is prohibited from collecting from Buyer: (a) up to \$300.00 for Buyer's Loan(s) and settlement costs for FHA/USDA/VA loans; and (b) unless agreed otherwise below, Buyer's share of the escrow fee for a VA loan. Seller shall pay the costs for (a) and (b), even if the amount agreed upon in this Paragraph 4 is insufficient to pay for those costs. If checked, Buyer shall pay Buyer's share of the escrow fee for the VA loan (note that VA regulations prohibit Buyer from paying loan and settlement costs exceeding one percent of the amount of the loan). 46-54
5. **EARNEST MONEY.** If Buyer has not waived the Financing Contingency, and is unable to obtain financing by Closing after a good faith effort then, on Buyer's notice, this Agreement shall terminate. The Earnest Money shall be refunded to Buyer after lender confirms in writing (a) the date Buyer's loan application for the Property was made, including a copy of the loan estimate that was provided to Buyer; (b) that Buyer possessed sufficient funds to close (e.g. down payment, closing costs, etc.); and (c) the reasons Buyer was unable to obtain financing by Closing. If Seller terminates this Agreement, the Earnest Money shall be refunded without need for such confirmation. 55-61
6. **INSPECTION.** Seller shall permit inspections required by lender, including but not limited to structural, pest, heating, plumbing, roof, electrical, septic, and well inspections. Seller is not obligated to pay for such inspections unless otherwise agreed. 62-64
7. **APPRAISAL LESS THAN SALE PRICE.** 65
- a. **Notice of Low Appraisal.** If lender's appraised value of the Property is less than the Purchase Price, Buyer may, within 3 days after receipt of a copy of lender's appraisal, give notice of low appraisal, which shall include a copy of lender's appraisal. NWMLS Form 22AN may be used for the notices in this Paragraph 7. 66-68
- b. **Seller's Response.** Seller shall, within 10 days after Buyer's notice of low appraisal, give notice of: 69
- (i) A reappraisal or reconsideration of value, at Seller's expense, by the same appraiser or another appraiser acceptable to lender, in an amount not less than the Purchase Price. Buyer shall promptly seek lender's approval of such reappraisal or reconsideration of value. The parties are advised that lender may elect not to accept a reappraisal or reconsideration of value; 70-73
 - (ii) Seller's consent to reduce the Purchase Price to an amount not more than the amount specified in the appraisal or reappraisal by the same appraiser, or an appraisal by another appraiser acceptable to lender, whichever is higher. (This provision is not applicable if this Agreement is conditioned on FHA, VA, or USDA financing. FHA, VA, and USDA financing does not permit the Buyer to be obligated to buy if the Seller reduces the Purchase Price to the appraised value. Buyer, however, has the option to buy at the reduced price.); 74-79
 - (iii) Seller's proposal to reduce the Purchase Price to an amount more than the amount specified in the appraisal and for Buyer to pay the necessary additional funds (the amount the reduced Purchase Price exceeds the appraised value) to close the sale; or 80-82
 - (iv) Seller's rejection of Buyer's notice of low appraisal. 83
- If Seller timely delivers notice of (i) reappraisal or reconsideration of value; or (ii) consent to reduce the Purchase Price to an amount not more than the amount specified in the appraisal (except for FHA, VA, or USDA financing), and lender accepts Seller's response, then Buyer shall be bound by Seller's response. 84-86
- c. **Buyer's Reply.** 87
- (i) Buyer shall have 3 days from either Seller's notice of rejection of low appraisal or, if Seller fails to respond, the day Seller's response period ends, whichever is earlier, to (a) waive the Financing Contingency; or (b) terminate the Agreement, in which event the Earnest Money shall be refunded to Buyer. 88-90
 - (ii) If Seller proposes to reduce the Purchase Price to an amount more than the appraised value, Buyer shall have 3 days to (a) accept and represent that Buyer has sufficient funds to close the sale in accordance with this provision; or (b) terminate the Agreement, in which event the Earnest Money shall be refunded to Buyer. 91-93

07/25/2019
Buyer's Initials Date

Buyer's Initials Date

7/29/19
Seller's Initials Date Seller's Initials Date

**FINANCING ADDENDUM TO
PURCHASE & SALE AGREEMENT**

Continued


(iii) If Seller consents to reduce the Purchase Price to an amount not more than the appraised value for FHA, VA, or USDA financing, Buyer shall have 3 days to (a) give notice that Buyer will buy at the reduced price; or (b) terminate the Agreement, in which event the Earnest Money shall be refunded to Buyer.

Buyer's inaction during this reply period shall result in termination of the Agreement and return of the Earnest Money to Buyer. The Closing Date shall be extended as necessary to accommodate the foregoing times for notices.


8. **FHA/VA/USDA - Appraisal Certificate.** If this Agreement is contingent on Buyer obtaining FHA, VA, or USDA financing, notwithstanding any other provisions of this Agreement, Buyer is not obligated to complete the purchase of the Property unless Buyer has been given in accordance with HUD/FHA, VA, or USDA requirements a written statement by FHA, VA, USDA or a Direct Endorsement lender, setting forth the appraised value of the Property (excluding closing costs). Seller and Buyer shall execute a document setting forth the prior provision, or similar provision, known as the FHA, VA, or USDA amendatory clause, as required by lender. Buyer shall pay the costs of any appraisal. If the appraised value of the Property is less than the Purchase Price, Paragraph 7 above shall apply.

Purpose of Appraisal. The appraised valuation is arrived at only to determine the maximum mortgage FHA, VA, or USDA will insure. FHA, VA, or USDA do not warrant the value or the condition of the Property. Buyer agrees to satisfy himself/herself that the price and condition of the Property are acceptable.

9. **EXTENSION OF CLOSING.** If, through no fault of Buyer, lender is required by 12 CFR 1026 to give corrected disclosures to Buyer due to (a) a change in the Annual Percentage Rate ("APR") of Buyer's Loan(s) by .125% or more for a fixed rate loan or .250% or more for an adjustable rate loan; (b) a change in the loan product; or (c) the addition of a prepayment penalty, then upon notice from Buyer, the Closing Date shall be extended for up to 4 days to accommodate the requirements of Regulation Z of the Truth in Lending Act. This paragraph shall survive Buyer's waiver of this Financing Contingency.

 07/25/2019
Buyer's Initials Date

Buyer's Initials Date

 7/29/19
Seller's Initials Date Seller's Initials Date

**BUYER'S SALE OF PROPERTY CONTINGENCY
ADDENDUM TO PURCHASE & SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated July 25, 2019
between [Redacted] ("Buyer")
and Secured Investment Corp ("Seller")
concerning 1428 E Olympic Ave Spokane WA 99207 (the "Property").

1. **CONTINGENT ON SALE OF BUYER'S PROPERTY.** This Agreement is contingent on Buyer selling Buyer's property at [Redacted]
City of [Redacted], State of WA (the "Buyer's Property")
on or before 09/09/19 (if not filled in, 45 days after mutual acceptance of this Agreement) (the "Contingency Period"). Buyer shall list Buyer's Property for sale on a multiple listing service in the area serving the property with a licensed real estate firm within 5 days after mutual acceptance of this Agreement. If Buyer fails to do so, this contingency shall be deemed waived and Paragraph 6(d) shall apply. If Buyer has not sold Buyer's Property or given notice waiving this contingency by the end of the Contingency Period, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. For the purposes of this Addendum, the terms "sell," "selling" and "sold" shall mean that Buyer has entered into a valid and enforceable agreement for the purchase and sale of Buyer's Property.

2. **WHEN SELLER'S CONSENT IS REQUIRED ON SALE OF BUYER'S PROPERTY.** Buyer must obtain Seller's written consent before Buyer accepts any offer for the sale of Buyer's Property that:
(a) is contingent on the sale or closing of that (second) buyer's property; and/or
(b) has a closing date less than 30 or more than 60 days from the date of mutual acceptance of the offer on Buyer's Property.

If Buyer accepts any such offer without Seller's prior written consent, Seller shall have three days to terminate this Agreement from Buyer's notice that the contingency is satisfied (which notice shall include a complete copy of the purchase and sale agreement for the sale of Buyer's Property) and, upon Seller's termination, Buyer shall be in default and Seller shall be entitled to remedies as provided for in the Agreement. If Seller does not timely terminate, the Agreement shall not be affected.

3. **LOAN APPLICATION.** If this Agreement is contingent on Buyer obtaining financing pursuant to Form 22A (Financing Addendum), Buyer shall make written application for the Loan(s) (defined in Form 22A) and pay the application fee, if required, for the subject Property within 5 days (5 days if not filled in) after mutual acceptance of this Agreement, or within _____ days (5 days if not filled in) after Buyer satisfies the contingency in this Addendum (from mutual acceptance if neither box checked). If Buyer is not required to apply for the Loan(s) until after satisfaction of this contingency, the timelines in Form 22A shall not begin until that time. This Paragraph 3 supersedes the requirement for Buyer's loan application in Form 22A.

4. **PROPERTY REMAINS ON MARKET.** Seller may keep the Property on the market in the "Contingent" status until Seller has received notice that Buyer has satisfied or waived this contingency. If prior to that time, Seller accepts another offer, Seller shall give notice to Buyer and shall give Buyer 7 days (5 days if not filled in) or by the expiration of the contingency in Paragraph 1, whichever is earlier (the "Bump Period") to waive or satisfy this contingency. If Buyer does not timely waive or satisfy this contingency, this Agreement shall terminate and the Earnest Money shall be refunded to the Buyer. Seller's notice shall be on the Bump Notice (Form 44) or similar form, and Buyer's reply shall be on Bump Reply (Form 46) or similar form.

5. **CONTINGENCY SATISFIED.** Buyer shall give notice to Seller within 2 days of entering into an agreement to sell Buyer's Property (i.e., the contingency is "satisfied"). Buyer's notice shall include a complete copy of the purchase and sale agreement for the sale of Buyer's Property. The sale of the Property shall close 3 days after the closing of the sale of Buyer's Property. Buyer's notice shall be on the Contingency Property Notice (Form 90K) or similar form. Buyer may not extend the closing date for the sale of Buyer's Property without Seller's written consent.

[Redacted] 07/25/2019 [Redacted] [Redacted] 7/29/19
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date

**BUYER'S SALE OF PROPERTY CONTINGENCY
ADDENDUM TO PURCHASE & SALE AGREEMENT**
Continued

6. **BUYER'S PROPERTY – FAILURE TO CLOSE.** 45

(a) Notice to Seller. Buyer shall give notice to Seller within 2 days of learning that the sale of Buyer's Property has failed. If Buyer does not give such timely notice, then Buyer shall be in default. Such notice must be given regardless of whether Buyer chooses to proceed with this Agreement. 46-48

(b) Contingency Survives. If the sale of Buyer's Property fails to close through no fault of Buyer before expiration of the Contingency Period in Paragraph 1, then this contingency shall be reinstated until the Contingency Period has expired. 49-51





(c) Agreement Terminates. If the sale of Buyer's Property fails to close through no fault of Buyer after expiration of the Contingency Period, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. 52-54

(d) Waiver by Buyer. If the sale of Buyer's Property fails to close through no fault of Buyer after expiration of the Contingency Period, Buyer shall have the option of waiving the contingency and proceeding with the Agreement. By waiving this contingency, Buyer also waives all other conditions in this Agreement (including financing or any other contingency). If Buyer waives this contingency (whether after failure of Buyer's Property to close or otherwise), the sale of the Property shall close 30 days after Buyer's waiver. 55-59

(e) Waiver by Buyer – New Construction. If at the time of Buyer's waiver, a Certificate of Occupancy (CO) or its equivalent for the Property has not been issued by the applicable government authority, then Buyer shall close within _____ days (5 days if not filled in), of notice from Seller that a Certificate of Occupancy, or equivalent, has been issued or within 30 days of waiver, whichever is later. 60-63

7. **CLOSING DATE.** The Closing Date set forth in this Addendum shall supersede the Closing Date set forth in the Agreement. 64-65

8. **OTHER.** 66-92

	07/25/2019				7/29/19		
Buyer's Initials	Date	Buyer's Initials	Date	Seller's Initials	Date	Seller's Initials	Date

OPTIONAL CLAUSES ADDENDUM TO
PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated July 25, 2019 1
between [Redacted] ("Buyer") 2
Buyer Buyer
and Secured Investment Corp ("Seller") 3
Seller Seller
concerning 1428 E Olympic Ave Spokane WA 99207 (the "Property"). 4
Address City State Zip

CHECK IF INCLUDED: 5

- 1. **Square Footage/Lot Size/Encroachments.** The Listing Broker and Selling Broker make no representations concerning: (a) the lot size or the accuracy of any information provided by the Seller; (b) the square footage of any improvements on the Property; (c) whether there are any encroachments (fences, rockeries, buildings) on the Property, or by the Property on adjacent properties. Buyer is advised to verify lot size, square footage and encroachments to Buyer's own satisfaction. 6-10
- 2. **Title Insurance.** The Title Insurance clause in the Agreement provides Seller is to provide the then-current ALTA form of Homeowner's Policy of Title Insurance. The parties have the option to provide less coverage by selecting a Standard Owner's Policy or more coverage by selecting an Extended Coverage Policy: 11-13
 - Standard Owner's Coverage.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of Owner's Policy of Title Insurance, together with homeowner's additional protection and inflation protection endorsements, if available at no additional cost, rather than the Homeowner's Policy of Title Insurance. 14-17
 - Extended Coverage.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense to apply for an ALTA or comparable Extended Coverage Policy of Title Insurance, rather than the Homeowner's Policy of Title Insurance. Buyer shall pay the increased costs associated with the Extended Coverage Policy, including the excess premium over that charged for Homeowner's Policy of Title Insurance and the cost of any survey required by the title insurer. 18-22
- 3. **Seller Cleaning.** Seller shall clean the interiors of any structures and remove all trash, debris and rubbish from the Property prior to Buyer taking possession. 23-24
- 4. **Personal Property.** Unless otherwise agreed, Seller shall remove all personal property from the Property not later than the Possession Date. Any personal property remaining on the Property thereafter shall become the property of Buyer, and may be retained or disposed of as Buyer determines. 25-27
- 5. **Utilities.** To the best of Seller's knowledge, Seller represents that the Property is connected to a: 28
 - public water main; public sewer main; septic tank; well (specify type) _____; 29
 - irrigation water (specify provider) _____; natural gas; telephone; 30
 - cable; electricity; other _____ . 31
- 6. **Insulation - New Construction.** If this is new construction, Federal Trade Commission Regulations require the following to be filled in. If insulation has not yet been selected, FTC regulations require Seller to furnish Buyer the information below in writing as soon as available: 32-34
 - WALL INSULATION: TYPE: _____ THICKNESS: _____ R-VALUE: _____ 35
 - CEILING INSULATION: TYPE: _____ THICKNESS: _____ R-VALUE: _____ 36
 - OTHER INSULATION DATA: _____ 37
- 7. **Leased Property Review Period and Assumption.** Buyer acknowledges that Seller leases the following items of personal property that are included with the sale: propane tank; security system; satellite dish and operating equipment; other _____ . 38-40

[Redacted] 07/25/2019 [Redacted] 7/29/19
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date

**OPTIONAL CLAUSES ADDENDUM TO
PURCHASE & SALE AGREEMENT**

Continued

Seller shall provide Buyer a copy of the lease for the selected items within _____ days (5 days if not filled in) of mutual acceptance. If Buyer, in Buyer's sole discretion, does not give notice of disapproval within _____ days (5 days if not filled in) of receipt of the lease(s) or the date that the lease(s) are due, whichever is earlier, then this lease review period shall conclusively be deemed satisfied (waived) and at Closing, Buyer shall assume the lease(s) for the selected item(s) and hold Seller harmless from and against any further obligation, liability, or claim arising from the lease(s), if the lease(s) can be assumed. If Buyer gives timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

- 8. **Homeowners' Association Review Period.** If the Property is subject to a homeowners' association or any other association, then Seller shall, at Seller's expense, provide Buyer a copy of the following documents (if available from the Association) within _____ days (10 days if not filled in) of mutual acceptance:
 - a. Association rules and regulations, including, but not limited to architectural guidelines;
 - b. Association bylaws and covenants, conditions, and restrictions (CC&Rs);
 - c. Association meeting minutes from the prior two (2) years;
 - d. Association Board of Directors meeting minutes from the prior six (6) months; and
 - e. Association financial statements from the prior two (2) years and current operating budget.

If Buyer, in Buyer's sole discretion, does not give notice of disapproval within _____ days (5 days if not filled in) of receipt of the above documents or the date that the above documents are due, whichever is earlier, then this homeowners' association review period shall conclusively be deemed satisfied (waived). If Buyer gives timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

- 9. **Homeowners' Association Transfer Fee.** If there is a transfer fee imposed by the homeowners' association or any other association (e.g. a "move-in" or "move-out" fee), the fee shall be paid by the party as provided for in the association documents. If the association documents do not provide which party pays the fee, the fee shall be paid by Buyer; Seller (Seller if not filled in).

- 10. **Excluded Item(s).** The following item(s), that would otherwise be included in the sale of the Property, is excluded from the sale ("Excluded Item(s)"). Seller shall repair any damage to the Property caused by the removal of the Excluded Item(s). Excluded Item(s):

- 11. **Home Warranty.** Buyer and Seller acknowledge that home warranty plans are available which may provide additional protection and benefits to Buyer and Seller. Buyer shall order a one-year home warranty as follows:
 - a. Home warranty provider: Fidelity National Home Warranty
 - b. Seller shall pay up to \$ 0.00 (\$0.00 if not filled in) of the cost for the home warranty, together with any included options, and Buyer shall pay any balance.
 - c. Options to be included: Kitchen Refrigerator _____ (none, if not filled in).
 - d. Other: Selling broker to purchase home warranty for Buyer

- 12. **Other.**
 1. Seller to ensure installation of carbon monoxide detectors as required by RCW 19.27.530 prior to bank ordered appraisal.
 2. Seller to ensure installation of seismic straps on water heater per WAC 51-56-507.2 (Seismic Provisions) prior to bank ordered appraisal.

	07/25/2019		7/29/19				
Buyer's Initials	Date	Buyer's Initials	Date	Seller's Initials	Date	Seller's Initials	Date

**DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT
AND LEAD-BASED PAINT HAZARDS**
Addendum to Purchase & Sale or Lease Agreement

The following is part of the Purchase and Sale Agreement dated July 25, 2019 1

between [Redacted] ("Buyer" and/or "Lessee") 2
Buyer and/or Lessee Buyer and/or Lessee

and Secured Investment Corp ("Seller" and/or "Lessor") 3
Seller and/or Lessor Seller and/or Lessor

concerning 1428 Olympic Ave Spokane WA 99207 (the "Property"). 4
Address City State Zip

Purchase & Sale Agreement Lead Warning Statement 5

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase. 6-14

Lease Agreement Lead Warning Statement 15

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and lead-based paint hazards in the dwelling. Tenants must also receive a Federally approved pamphlet on lead poisoning prevention. 16-20

Cancellation Rights 21

If a residential dwelling was built on the Property prior to 1978, Buyer may rescind the Agreement at any time up to 3 days after Buyer receives this Disclosure, unless Buyer receives this disclosure prior to entering the Agreement. 22-24

NOTE: In the event of pre-closing possession of more than 100 days by Buyer, the term Buyer also means Tenant. 25

Seller's/Lessor's Disclosure 26

- (a) Presence of lead-based paint and/or lead-based paint hazards (check one below): 27
 - Known lead-based paint and/or lead-based paint hazards are present in the housing (explain). 28
 - Seller/Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing. 29
- (b) Records and reports available to the Seller/Lessor (check one below): 30
 - Seller/Lessor has provided the Buyer/Lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below). 31-32
 - Seller/Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing. 33-36

Seller has reviewed the information above and certifies, to the best of Seller's knowledge, that the statements made and information provided by Seller are true and accurate. 37-38

[Redacted] 7/29/19 [Redacted] 7/19/19 39
Seller/Lessor Date Seller/Lessor Date

[Redacted] 07/25/2019 [Redacted] 7/19/19
Buyer/Lessee Initials Date Buyer/Lessee Initials Date Seller/Lessor Initials Date

**DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT
AND LEAD-BASED PAINT HAZARDS**
Addendum to Purchase & Sale or Lease Agreement

Continued

Buyer's/Lessee's Acknowledgment 40

(c) Buyer/Lessee has received copies of all information listed above. 41

(d) Buyer/Lessee has received the pamphlet "Protect Your Family from Lead In Your Home." 42

(e) Buyer has (check one below only if Purchase and Sale Agreement): 43

Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards. 44
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Accepted an opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards on the following terms and conditions: 46
47

This Agreement is conditioned upon a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards, to be performed by a risk assessor or inspector at the Buyer's expense. (Intact lead-based paint that is in good condition is not necessarily a hazard. See the EPA pamphlet "Protect Your Family From Lead in Your Home" for more information). 48
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This contingency SHALL CONCLUSIVELY BE DEEMED SATISFIED (WAIVED) unless Buyer gives written notice of disapproval of the risk assessment or inspection to the Seller within 10 (10 days if not filled in) after receiving this Disclosure. Buyer's notice must identify the specific existing deficiencies and corrections needed and must include a copy of the inspection and/or risk assessment report. 52
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The Seller may, at the Seller's option, within 3 days (3 days if not filled in) after Seller's receipt of Buyer's disapproval notice, give written notice that Seller will correct the conditions identified by Buyer. If Seller agrees to correct the conditions identified by Buyer, then it shall be accomplished at Seller's expense prior to the closing date, and Seller shall provide Buyer with certification from a risk assessor or inspector demonstrating that the condition(s) has been remedied prior to the closing date. In lieu of correction, the parties may agree on any other remedy for the disapproved condition(s), including but not limited to cash payments from Seller to Buyer or adjustments in the purchase price. If such an agreement on non-repair remedies is secured in writing before the expiration of the time period set forth in this subparagraph, then this contingency will be deemed satisfied. 57
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If the Seller does not give notice that the Seller will correct the conditions identified in Buyer's risk assessment or inspection, or if the parties cannot reach an agreement on alternative remedies, then Buyer may elect to give notice of termination of this Agreement within 3 days (3 days if not filled in) after expiration of the time limit in the preceding subparagraph or delivery of the Seller's notice pursuant to the preceding subparagraph, whichever first occurs. The earnest money shall then be returned to the Buyer and the parties shall have no further obligations to each other. Buyer's failure to give a written notice of termination means that the Buyer will be required to purchase the Property without the Seller having corrected the conditions identified in Buyer's risk assessment or inspection and without any alternative remedy for those conditions. 66
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Buyer waives the right to receive an amended Real Property Transfer Disclosure Statement (NWMLS Form No. 17 or equivalent) pursuant to RCW 64.06 based on any conditions identified in inspection and/or risk assessment report(s). 75
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77

Buyer has reviewed the information above and certifies, to the best of Buyer's knowledge, that the statements made by Buyer are true and accurate. 78
79

[Redacted] 07/25/2019 _____
Buyer/Lessee Date Buyer/Lessee Date 80

Brokers' Acknowledgment 81

Brokers have informed the Seller/Lessor of the Seller's/Lessor's obligations under 42 U.S.C. 4852(d) and are aware of their responsibility to ensure compliance. 82
83

[Redacted] 07/25/2019 _____ [Redacted] 7/19/19
Selling Broker Date Listing Broker Date 84

[Redacted] 07/25/2019 _____ [Redacted] 7/19/19
Buyer/Lessee Initials Date Buyer/Lessee Initials Date Seller/Lessor Initials Date

**IDENTIFICATION OF UTILITIES
ADDENDUM TO PURCHASE AND SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated July 25, 2019 1
between [Redacted] ("Buyer") 2
and Secured Investment Corp ("Seller") 3
concerning 1428 Olympic Ave Spokane WA 99207 (the "Property"), 4

Pursuant to RCW 60.80, Buyer and Seller request the Closing Agent to administer the disbursement of closing funds 5
necessary to satisfy unpaid utility charges, if any, affecting the Property. The names and addresses of all utilities 6
providing service to the Property and having lien rights are as follows: 7

WATER DISTRICT: Spokane 8
Name e-mail or website (optional) 9
Address 311 10
City, State, Zip Spokane Fax. No. (optional) 11
SEWER DISTRICT: Name e-mail or website (optional) 12
Address 311 13
City, State, Zip Fax. No. (optional) 14
IRRIGATION DISTRICT: Name e-mail or website (optional) 15
Address 16
City, State, Zip Fax. No. (optional) 17
GARBAGE: Waste Management 18
Name e-mail or website (optional) 19
Address 888-964-9751 20
City, State, Zip Fax. No. (optional) 21
ELECTRICITY: Name e-mail or website (optional) 22
Address 489-0500 23
City, State, Zip Fax. No. (optional) 24
GAS: Name e-mail or website (optional) 25
Address 489-0500 26
City, State, Zip Fax. No. (optional) 27
SPECIAL DISTRICT(S): Name e-mail or website (optional) 28
(local improvement districts or utility local improvement districts) Address 29
City, State, Zip Fax. No. (optional) 30

If the above information has not been filled in at the time of mutual acceptance of this Agreement, then (1) 29
within 5 days (5 if not filled in) of mutual acceptance of this Agreement, Seller shall provide the Listing 30
Broker or Selling Broker with the names and addresses of all utility providers having lien rights affecting the Property 31
and (2) Buyer and Seller authorize Listing Broker or Selling Broker to insert into this Addendum the names and 32
addresses of 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

[Redacted] 07/25/2019 [Redacted] 7/29/19
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date

**TITLE CONTINGENCY ADDENDUM TO
PURCHASE & SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated July 25, 2019 1
between [Redacted] ("Buyer") 2
Buyer Buyer
and Secured Investment Corp ("Seller") 3
Seller Seller
concerning 1428 E Olympic Ave Spokane WA 99207 (the "Property"). 4
Address City State Zip

1. **Title Contingency.** This Agreement is subject to Buyer's review of a preliminary commitment for title insurance, 5
together with any easements, covenants, conditions and restrictions of record. Buyer shall have 5 6
days (5 days if not filled in) from the date of Buyer's receipt of the preliminary commitment for title insurance; 7
or mutual acceptance (from the date of Buyer's receipt, if neither box checked) to give notice of Buyer's 8
disapproval of exceptions contained in the preliminary commitment. 9

Seller shall have 5 days (5 days if not filled in) after Buyer's notice of disapproval to give Buyer 10
notice that Seller will clear all disapproved exceptions. Seller shall have until the Closing Date to clear all 11
disapproved exceptions. 12

If Seller does not give timely notice that Seller will clear all disapproved exceptions, Buyer may terminate this 13
Agreement within 3 days after the deadline for Seller's notice. In the event Buyer elects to terminate the 14
Agreement, the Earnest Money shall be returned to Buyer. If Buyer does not timely terminate the Agreement, 15
Buyer shall be deemed to have waived all objections to title, which Seller did not agree to clear. 16
2. **Supplemental Title Reports.** If supplemental title reports disclose new exception(s) to the title commitment, 17
then the above time periods and procedures for notice, correction, and termination for those new exceptions 18
shall apply to the date of Buyer's receipt of the supplemental title report. The Closing date shall be extended as 19
necessary to accommodate the foregoing times for notices. 20
3. **Marketable Title.** This Addendum does not relieve Seller of the obligation to provide marketable title at Closing 21
as provided for in the Agreement. 22

<u>[Redacted]</u>	<u>07/25/2019</u>	<u>[Redacted]</u>	<u>7/29/19</u>
Buyer's Initials	Date	Seller's Initials	Date

**HOMEOWNER INSURANCE ADDENDUM
TO PURCHASE AND SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated July 25, 2019 1
between [Redacted] ("Buyer") 2
Buyer Buyer
and Secured Investment Corp ("Seller") 3
Seller Seller
concerning 1428 E Olympic Ave Spokane WA 99207 (the "Property"). 4
Address City State Zip

Notice to Buyer Concerning Homeowners Insurance. The availability and cost of homeowners insurance depends 5
on a number of factors, including Buyer's personal insurance, Buyer's financial and credit history, the condition of the 6
Property, Buyer's claim history, and the claims history for the Property. At the time of application, most insurance 7
companies will only issue a binder, which is a temporary commitment to provide insurance and not a guarantee that a 8
policy will be issued. After issuing the binder, the insurance company will take additional time to make a final decision 9
about issuing a policy and the amount of the insurance premium. Accordingly, it is important for Buyer to apply for 10
insurance as early as possible. 11

Homeowners Insurance Contingency/Application. This Agreement is conditioned upon Buyer obtaining a binder 12
for a standard policy of homeowners insurance, together with any other property insurance required by Buyer's 13
lender, at an annual premium not to exceed 1/2 of 1% of the purchase price, with a deductible not to exceed \$1000, 14
exclusive of all additional endorsements, declarations and riders (e.g., art, jewelry, earthquake, etc.). Buyer shall 15
make application for insurance within 5 days (5 days, if not filled in) of mutual acceptance and if Buyer fails 16
to timely make application, then this contingency shall be deemed waived. This insurance contingency shall be 17
deemed satisfied (waived), unless within 15 days (15 days, if not filled in) of mutual acceptance, Buyer 18
gives notice of inability to obtain a binder on the terms set forth above. If Buyer gives such notice, then this Agreement 19
shall terminate and the Earnest Money shall be refunded to Buyer. 20

[Redacted] 07/25/2019
Buyer's Initials Date

[Redacted] 7/29/19
Seller's Initials Date

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated July 25, 2019 1
between [Redacted] ("Buyer") 2
Buyer Buyer
and Secured Investment Corp ("Seller") 3
Seller Seller
concerning 1428 Olympic Ave Spokane WA 99207 (the "Property"). 4
Address City State Zip

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS: 5

Lee Arnold is the CEO of Secured Investment Corp. (SIC). He sits on the board of two private 6
equity funds managed by SIC: Secured Investment High Yield Fund I and Secured Investment High 7
Yield Fund II. A portion of the equity funds are utilized for the purchase, renovation and resale of 8
distressed properties. He is the Managing Member of Escalade Properties, LLC, a real estate 9
holding company, which holds distressed properties. He is the owner of Arnold Professional 10
Holdings, a licensed, bonded and insured General Contractor contracted to oversee construction on 11
distressed properties. Lee Arnold is a licensed real estate agent with Keller Williams Spokane and 12
the managing member of The Lee Arnold Team, the listing agent for the Seller. 13
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ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 31

[Redacted] 07/25/2019 [Redacted] 7/25/19
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date

INSPECTION ADDENDUM TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated July 25, 2019 1
between [Redacted] Buyer ("Buyer") 2
and Secured Investment Corp Seller ("Seller") 3
concerning 1428 E Olympic Ave Spokane WA 99207 (the "Property"). 4
Address City State Zip

1. a. **INSPECTION CONTINGENCY.** This Agreement is conditioned on Buyer's subjective satisfaction with inspections of the Property and the improvements on the Property. Buyer's inspections may include, at Buyer's option and without limitation, the structural, mechanical and general condition of the improvements to the Property, compliance with building and zoning codes, an inspection of the Property for hazardous materials, a pest inspection, and a soils/stability inspection. The inspection must be performed by Buyer or a person licensed (or exempt from licensing) under Chapter 18.280 RCW.

Sewer Inspection. Buyer's inspection of the Property may; may not (may, if not checked) include an inspection of the sewer system, which may include a sewer line video inspection and assessment and may require the inspector to remove toilets or other fixtures to access the sewer line.

Buyer's Obligations. All inspections are to be (a) ordered by Buyer, (b) performed by inspectors of Buyer's choice, and (c) completed at Buyer's expense. Buyer shall not alter the Property or any improvements on the Property without first obtaining Seller's permission. Buyer is solely responsible for interviewing and selecting all inspectors. Buyer shall restore the Property and all improvements on the Property to the same condition they were in prior to the inspection. Buyer shall be responsible for all damages resulting from any inspection of the Property performed on Buyer's behalf.

BUYER'S NOTICE. This inspection contingency SHALL CONCLUSIVELY BE DEEMED WAIVED unless within 10 days (10 days if not filled in) after mutual acceptance of this Agreement (the "Initial Inspection Period"), Buyer gives notice (1) approving the inspection and waiving this contingency; (2) disapproving the inspection and terminating the Agreement; (3) that Buyer will conduct additional inspections; or (4) proposing repairs to the property or modifications to the Agreement. If Buyer disapproves the inspection and terminates the Agreement, the Earnest Money shall be refunded to Buyer. If Buyer proposes repairs to the property or modifications to the Agreement, including adjustments to the purchase price or credits for repairs to be performed after Closing, the parties shall negotiate as set forth in paragraph 1.c, below. The parties may use NWMLS Form 35R to give notices required by this Addendum.

ATTENTION BUYER: If Buyer fails to give timely notice, then this inspection contingency shall be deemed waived and Seller shall not be obligated to make any repairs or modifications. Buyer shall not provide the inspection report, or portions of the report, to Seller, unless Seller requests otherwise or as required by paragraph 1.b.

b. **Additional Inspections.** If an inspector so recommends, Buyer may obtain further evaluation of any item by a specialist at Buyer's option and expense if, on or before the end of the Initial Inspection Period, Buyer provides Seller a copy of the inspector's recommendation and notice that Buyer will seek additional inspections. If Buyer gives timely notice of additional inspections, Buyer shall have 5 (5 days if not filled in) after giving the notice to obtain the additional inspection(s) by a specialist.

c. **Buyer's Requests for Repairs or Modifications.** If Buyer requests repairs or modifications under paragraph 1.a. or 1.b., the parties shall negotiate as set forth in this paragraph. Buyer's initial request and Seller's response made in accordance with the following procedures are irrevocable for the time period provided.

(i) **Seller's Response to Request for Repairs or Modifications.** Seller shall have 3 days (3 days if not filled in) after receipt of Buyer's request for repairs or modifications to give notice that Seller (a) agrees to the repairs or modifications proposed by Buyer; (b) agrees to some of the repairs or modifications proposed by Buyer; (c) rejects all repairs or modifications proposed by Buyer; or (d) offers different or additional repairs or modifications. If Seller agrees to the terms of Buyer's request for repairs or modifications, this contingency shall be satisfied and Buyer's Reply shall not be necessary. If

[Redacted] 07/25/2019
Buyer's Initials Date

Buyer's Initials Date

[Redacted] 7/29/19
Seller's Initials Date Seller's Initials Date

INSPECTION ADDENDUM TO PURCHASE AND SALE AGREEMENT

Continued

Seller does not agree to all of Buyer's repairs or modifications, Buyer shall have an opportunity to reply, as follows: 48
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(ii) Buyer's Reply. If Seller does not agree to all of the repairs or modifications proposed by Buyer, Buyer shall have 3 days (3 days if not filled in) from either the day Buyer receives Seller's response or, if Seller fails to timely respond, the day Seller's response period ends, whichever is earlier, to (a) accept the Seller's response at which time this contingency shall be satisfied; (b) agree with the Seller on other remedies; or (c) disapprove the inspection and terminate the Agreement, in which event, the Earnest Money shall be refunded to Buyer. 50
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ATTENTION BUYER: These time periods for negotiating repairs or modifications shall not repeat. The parties must either reach a written agreement or Buyer must terminate this Agreement by the Buyer's Reply deadline set forth in paragraph 1.c.ii. Buyer's inaction during Buyer's reply period shall result in waiver of this inspection condition, in which case Seller shall not be obligated to make any repairs or modifications whatsoever AND THIS CONTINGENCY SHALL BE DEEMED WAIVED. 56
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d. Repairs. If Seller agrees to make the repairs proposed by Buyer, then repairs shall be accomplished at Seller's expense in a commercially reasonable manner and in accordance with all applicable laws no fewer than 3 days (3 days if not filled in) prior to the Closing Date. In the case of hazardous materials, "repair" means removal or treatment (including but not limited to removal or, at Seller's option, decommissioning of any oil storage tanks) of the hazardous material at Seller's expense as recommended by and under the direction of a professional selected by Seller. Seller's repairs are subject to re-inspection and approval, prior to Closing, by the inspector who recommended the repair, if Buyer elects to order and pay for such re-inspection. If Buyer agrees to pay for any repairs prior to Closing, the parties are advised to seek the counsel of an attorney to review the terms of that agreement. 61
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e. Oil Storage Tanks. Any inspection regarding oil storage tanks or contamination from such tanks shall be limited solely to determining the presence or non-presence of oil storage tanks on the Property, unless otherwise agreed in writing by Buyer and Seller. 70
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f. On-site Sewage Disposal Systems Advisory: Buyer is advised that on-site sewage disposal systems, including "septic systems," are subject to strict governmental regulation and occasional malfunction and even failure. Buyer is advised to consider conducting an inspection of any on-site sewage system in addition to the inspection of the Property provided by this Form 35 by including an appropriate on-site sewage disposal inspection contingency such as NWMLS Form 22S (Septic Addendum). 73
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2. NEIGHBORHOOD REVIEW CONTINGENCY: Buyer's inspection includes Buyer's subjective satisfaction that the conditions of the neighborhood in which the Property is located are consistent with the Buyer's intended use of the Property (the "Neighborhood Review"). The Neighborhood Review may include Buyer's investigation of the schools, proximity to bus lines, availability of shopping, traffic patterns, noise, parking and investigation of other neighborhood, environmental and safety conditions the Buyer may determine to be relevant in deciding to purchase the Property. If Buyer does not give notice of disapproval of the Neighborhood Review within 3 (3 days if not filled in) of mutual acceptance of the Agreement, then this Neighborhood Review condition shall conclusively be deemed satisfied (waived). If Buyer gives a timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. 78
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3. PREINSPECTION CONDUCTED. Buyer, prior to mutual acceptance of this Agreement, conducted a building, hazardous substances, building and zoning code, pest or soils/stability inspection of the Property, and closing of this Agreement is not conditioned on the results of such inspections. Buyer elects to buy the Property in its present condition and acknowledges that the decision to purchase the property was based on Buyer's prior inspection and that Buyer has not relied on representations by Seller, Listing Broker or Selling Broker. 87
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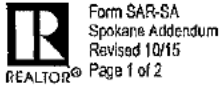
4. WAIVER OF INSPECTION. Buyer has been advised to obtain a building, hazardous substances, building and zoning code, pest or soils/stability inspection, and to condition the closing of this Agreement on the results of such inspections, but Buyer elects to waive the right and buy the Property in its present condition. Buyer acknowledges that the decision to waive Buyer's inspection options was based on Buyer's personal inspection and Buyer has not relied on representations by Seller, Listing Broker or Selling Broker. 93
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 07/25/2019
Buyer's Initials Date

Buyer's Initials Date

 7/29/19
Seller's Initials Date

Seller's Initials Date



Form SAR-SA
Spokane Addendum
Revised 10/15
Page 1 of 2

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SPOKANE ADDENDUM TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement ("Agreement") dated Jul 25, 2019 between [REDACTED] ("Buyer"), and Secured Investment Corp ("Seller") concerning: 1428 E Olympic Ave Spokane WA 99207 (the "Property"):

1. ADVICE TO SEEK EXPERT ADVICE ON MATTERS OUTSIDE BROKER'S EXPERTISE. Each of the parties to the Agreement acknowledged that brokers are not in a position to offer expert advice on matters outside their expertise and that the parties have been advised to seek expert advice on such matters from qualified experts/professionals having proper licensing in the state of Washington when applicable. Each of the parties acknowledges being advised not to use the services of anyone not licensed in Washington to perform in any matter where a license is required by law. By way of example and not limitation, the parties acknowledge that:

a. If any party has questions or concerns regarding legal issues arising in connection with the Agreement, transaction, Property, or any property or other disclosure, they should consult with an attorney (parties may confirm the licensing and disciplinary history of attorneys at www.wsba.org).

b. If any party has questions or needs advice or assistance in any way related to the Agreement or transaction, they should consult with a CPA, tax attorney or other qualified tax professional (parties may confirm the licensing and disciplinary history of CPAs at www.cpaboard.wa.gov).

c. Brokers are not qualified to advise regarding the condition of any property and recommend that Buyer utilize the services of a licensed professional inspector to inspect the Property (parties may confirm the licensing of a professional home inspector at www.dol.wa.gov/business/homeinspectors).

d. If any inspector or other qualified professional recommends that matters related to the Property or transaction be further investigated, tested or reviewed, the parties are advised to carefully review the recommendations and follow up as suggested.

e. Repair, remodeling and construction of homes and buildings should only be performed in accordance with law (by licensed contractors when a license is required) (parties may confirm the licensing status of a contractor at <https://secure.lni.wa.gov/verify/>).

f. On-site sewage disposal systems, including septic tanks, should be inspected by trained inspectors licensed by the local city or county sewer district having jurisdiction over the subject property and licensing should be able to be confirmed with that agency;

g. Water well tests are customarily performed by inspectors licensed as water well contractors under RCW, Chapter 18.27 or by qualified engineers (contractor registrations may be confirmed as stated in subparagraph e., and engineering licensing can be confirmed at <https://fortress.wa.gov/dol/dolprod/bpdLicenseQuery>).

h. Soil conditions, ground and surface water issues and stability issues are customarily evaluated by qualified geotechnical or soils engineers or hydrologists.

2. INSPECTIONS AND TESTS. There may be defects present in any property. None of the real estate Firms or brokers involved in this transaction is an expert regarding the identification of, detection of, presence of, concealed defects. While not an exhaustive list and by way of example and not limitation, Buyer acknowledges having been advised that some matters that can adversely affect a property are as follows:

Initials: BUYER: [REDACTED] DATE: 07/25/2019 SELLER: [REDACTED] DATE: 7/22/19
BUYER: _____ DATE: _____ SELLER: [Signature] DATE: _____



a. Smoke detectors are required by law to be installed in all dwelling units (RCW 43.44.110). Parties are advised to install and maintain smoke detectors meeting nationally accepted standards and in accordance with manufacturer recommendations in all dwellings.

b. Carbon monoxide alarms are required by law to be installed in single-family residences before they can be sold (RCW 19.27.5300). Parties are advised to install and maintain carbon monoxide alarms meeting nationally accepted standards and in accordance with manufacturer recommendations in all dwellings.

c. Mold can grow inside dwellings and present health hazards, and the presence of mold may or may not be detected in a professional home inspection and a complete mold assessment may require the services of a mold specialist. Mold Information can be obtained from the Environmental Protection Agency, including its publication "A Brief Guide to Mold, Moisture, and Your Home" that may be obtained via the Internet at www.epa.gov/iaq/molds/index.html

d. Wood destroying organisms (such as termites, carpenter ants and other insects), as well as fungi, that consume, remove or destroy wood products may not be detected in a professional home inspection, and a home inspector will not provide a complete wood destroying organism inspection unless the inspector is also licensed as a structural pest inspector with the Washington Department of Agriculture and your inspection contract also includes this service.

e. Radon is a colorless, odorless gas that can be present inside dwellings and other structures that can severely and adversely affect the health of occupants. A professional home inspection will likely not include testing for the presence of radon and a radon test would require the services of a radon specialist. Radon information can be obtained from the Environmental Protection Agency at www.epa.gov/radon.

f. Asbestos was at one time used in homes and other construction and may be present in existing structures. If inhaled, asbestos fibers can severely and adversely affect people's health. A professional home inspection may not include a complete examination and testing for the presence of asbestos and, if asbestos is present in a home, any removal will require use of a licensed contractor that also has an asbestos contractor's certificate. Asbestos information can be obtained from the Environmental Protection Agency at www.epa.gov/asbestos.

g. Other indoor organic compounds may also be present in a home and you can obtain additional information regarding these from various sources, including the Washington State Department of Health, www.dh.wa.gov/CommunityandEnvironment/Contaminants.

Seller acknowledges that Seller has the sole responsibility for disclosing to Buyer in writing any knowledge Seller has regarding the presence of adverse conditions affecting the Property, including but not limited to the above. Buyer acknowledges that Buyer is solely responsible for determining whether to undertake any professional evaluation or inspection to determine the presence, effect of, and recommended course of treatment or pursuit of treatment for any known, disclosed or potential adverse matters affecting the Property. The above is intended as general advice and not as a substitute for professional advice.

3. LENDER RELEASE OF CONSUMER DISCLOSURE INFORMATION. Each Buyer acknowledges that the Listing Real Estate Brokerage Firm and its assigned broker(s), Selling Real Estate Brokerage Firm and its assigned broker(s), and the Closing Agent may be able to assist in identifying and correcting information contained in any Disclosure Statement or similar document provided to Buyer(s) in connection with any loan being obtained for the purchase of the Property. Accordingly, each Buyer consents to disclosure of any Disclosure Statement or similar document to all of the above and directs the lender(s) involved in this transaction to provide full disclosure of such Disclosure Statement or similar document to each of the above at the same time such information is disclosed to Buyer(s).

Initials: BUYER:  DATE: 07/25/2019 SELLER:  DATE: 7/29/19
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____

Exhibit "A"

Vested Owner: Secured Investment Corp

Real property in the County of Spokane, State of Washington, described as follows:

LIDGERWOOD PK 2 L7 B22

SITUATE IN THE CITY OF SPOKANE, COUNTY OF SPOKANE, STATE OF WASHINGTON.

Tax Parcel Number: 36333.3420

07/25/2019

SELLER

BUYER

SELLER

BUYER

SELLER



July 25, 2019

Ms. Jennifer Rollins
5516 202nd Street Court E
Spanaway, WA 98387

Property Address: To Be Determined

Dear Ms. Rollins:

Congratulations! Based on your mortgage application and credit review, you have been pre-approved to purchase a home under the following terms:

- Purchase Price: **\$210,000**
- Loan Amount: **\$180,000**
- Loan Program: **Conventional 30 Year Fixed**
- Property type: **Single-Family Residence**
- Occupancy: **Owner-Occupied Primary**

This pre-approval is valid for 90 days from the date of issue assuming that there are no changes to your income, assets documentation or credit profile. This is not considered a commitment to lend until the following conditions are met:

- Mutually accepted Purchase and Sale Agreement
- Satisfactory review of the title report
- Proceeds from the sale of 5516 202nd Street Court E to be liquid
- Satisfactory completion and review of the property appraisal
- Compliance with all loan program guidelines and conditions as outlined

I look forward to working with you throughout the process, and I wish you every success in your home search. Please feel free to contact me directly with any questions at 206.861.6484 or tcummings@opesadvisors.com.

Sincerely,

Tom Cummings, NMLS #1725263
Mortgage Advisor
1601 5th Ave, Ste. 2100, Seattle, WA 98101
Office: 206-839-3669 | Cell: 206.861.6484
tcummings@opesadvisors.com

THIS LETTER DOES NOT CONSTITUTE AN AGREEMENT OR COMMITMENT OF ANY KIND TO LOAN FUNDS OR EXTEND CREDIT, ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE



**SELLER DISCLOSURE STATEMENT
IMPROVED PROPERTY**

SELLER: Secured Investment Corp

Seller

Seller

To be used in transfers of improved residential real property, including residential dwellings up to four units, new construction, condominiums not subject to a public offering statement, certain timeshares, and manufactured and mobile homes. See RCW Chapter 64.06 for further information.

INSTRUCTIONS TO THE SELLER

Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property check "NA." If the 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 provide your explanation(s). For your protection you must date and initial each page of this disclosure statement and each attachment. Delivery of the disclosure statement must occur not later than five (5) business days, unless otherwise agreed, after mutual acceptance of a written purchase and sale agreement between Buyer and Seller.

NOTICE TO THE BUYER

THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT 1428 E Olympic Ave, CITY Spokane

STATE WA, ZIP 99207, COUNTY Spokane ("THE PROPERTY") OR AS LEGALLY DESCRIBED ON THE ATTACHED EXHIBIT A.

SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A PURCHASE AND SALE AGREEMENT.

THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER.

FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON-SITE WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE BUYER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS OR WARRANTIES.

SELLER IS/ IS NOT OCCUPYING THE PROPERTY.

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 publicly recorded. If necessary, use an attached sheet.

1. TITLE

	YES	NO	DON'T KNOW	N/A	
A. Do you have legal authority to sell the property? If no, please explain.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	39
*B. Is title to the property subject to any of the following?					40
(1) First right of refusal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	41
(2) Option	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	42
(3) Lease or rental agreement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	43
(4) Life estate?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	44
*C. Are there any encroachments, boundary agreements, or boundary disputes?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	45
*D. Is there a private road or easement agreement for access to the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	46
*E. Are there any rights-of-way, easements, or access limitations that may affect the Buyer's use of the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	48
*F. Are there any written agreements for joint maintenance of an easement or right-of-way?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	49
*G. Is there any study, survey project, or notice that would adversely affect the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	50
*H. Are there any pending or existing assessments against the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	51

[Redacted]
SELLER'S INITIALS Date

SELLER'S INITIALS Date

**SELLER DISCLOSURE STATEMENT
 IMPROVED PROPERTY**

(Continued)

	YES	NO	DON'T KNOW	N/A	52
*I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that would affect future construction or remodeling?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	53
*J. Is there a boundary survey for the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	54
*K. Are there any covenants, conditions, or restrictions recorded against the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	55
PLEASE NOTE: Covenants, conditions, and restrictions which purport to forbid or restrict the conveyance, encumbrance, occupancy, or 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.					56
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2. WATER					62
A. Household Water					63
(1) The source of water for the property is: <input checked="" type="checkbox"/> Private or publicly owned water system					64
<input type="checkbox"/> Private well serving only the subject property * <input type="checkbox"/> Other water system					65
*If shared, are there any written agreements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	66
*2) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	67
*3) Are there any problems or repairs needed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	68
(4) During your ownership, has the source provided an adequate year-round supply of potable water? ..	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	69
If no, please explain: _____					70
*5) Are there any water treatment systems for the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	71
If yes, are they: <input type="checkbox"/> Leased <input type="checkbox"/> Owned					72
*6) Are there any water rights for the property associated with its domestic water supply, such as a water right permit, certificate, or claim?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	73
(a) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed? <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	74
*7) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	75
					76
					77
					78
B. Irrigation Water					79
(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	80
*8) Are there any problems or repairs needed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	81
(a) If yes, has all or any portion of the water right not been used for five or more successive years?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	82
(b) If so, is the certificate available? (If yes, please attach a copy.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	83
(c) If so, has the water right permit, certificate, or claim been assigned, transferred, or changed? ...	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	84
*2) Does the property receive irrigation water from a ditch company, irrigation district, or other entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	85
If so, please identify the entity that supplies water to the property: _____					86
					87
					88
C. Outdoor Sprinkler System					89
(1) Is there an outdoor sprinkler system for the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	90
*2) If yes, are there any defects in the system?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	91
*3) If yes, is the sprinkler system connected to irrigation water?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	92
3. SEWER/ON-SITE SEWAGE SYSTEM					93
A. The property is served by:					94
<input checked="" type="checkbox"/> Public sewer system <input type="checkbox"/> On-site sewage system (including pipes, tanks, drainfields, and all other component parts)					95
<input type="checkbox"/> Other disposal system					96
Please describe: _____					97

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**SELLER DISCLOSURE STATEMENT
 IMPROVED PROPERTY**

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	YES	NO	DON'T KNOW	N/A	98
B. If public sewer system service is available to the property, is the house connected to the sewer main?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	99
If no, please explain:					100
					101
*C. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	102
					103
D. If the 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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	105
(2) When was it last pumped?					106
*(3) Are there any defects in the operation of the on-site sewage system?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	107
(4) When was it last inspected?					108
By whom:					109
(5) For how many bedrooms was the on-site sewage system approved? _____ bedrooms			<input type="checkbox"/>	<input type="checkbox"/>	110
E. Are all plumbing fixtures, including laundry drain, connected to the sewer/on-site sewage system?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	111
If no, please explain:					112
					113
*F. Have there been any changes or repairs to the on-site sewage system?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	114
G. Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	115
If no, please explain:					116
					117
*H. Does the on-site sewage system require monitoring and maintenance services more frequently than once a year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	118
					119
					120

NOTICE: IF THIS RESIDENTIAL REAL PROPERTY DISCLOSURE IS BEING COMPLETED FOR NEW CONSTRUCTION WHICH HAS NEVER BEEN OCCUPIED, SELLER IS NOT REQUIRED TO COMPLETE THE QUESTIONS LISTED IN ITEM 4 (STRUCTURAL) OR ITEM 5 (SYSTEMS AND FIXTURES). 121

4. STRUCTURAL 122

*A. Has the roof leaked within the last 5 years?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	123
*B. Has the basement flooded or leaked?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	124
*C. Have there been any conversions, additions or remodeling?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	125
*(1) If yes, were all building permits obtained?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	126
*(2) If yes, were all final inspections obtained?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	127
D. Do you know the age of the house?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	128
If yes, year of original construction: <u>1910</u>					129
*E. Has there been any settling, slippage, or sliding of the property or its improvements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	130
*F. Are there any defects with the following: (If yes, please check applicable items and explain)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	131
<input type="checkbox"/> Foundations	<input type="checkbox"/> Decks	<input type="checkbox"/> Exterior Walls			132
<input type="checkbox"/> Chimneys	<input type="checkbox"/> Interior Walls	<input type="checkbox"/> Fire Alarms			133
<input type="checkbox"/> Doors	<input type="checkbox"/> Windows	<input type="checkbox"/> Patio			134
<input type="checkbox"/> Ceilings	<input type="checkbox"/> Slab Floors	<input type="checkbox"/> Driveways			135
<input type="checkbox"/> Pools	<input type="checkbox"/> Hot Tub	<input type="checkbox"/> Sauna			136
<input type="checkbox"/> Sidewalks	<input type="checkbox"/> Outbuildings	<input type="checkbox"/> Fireplaces			137
<input type="checkbox"/> Garage Floors	<input type="checkbox"/> Walkways	<input type="checkbox"/> Siding			138
<input type="checkbox"/> Wood Stoves	<input type="checkbox"/> Elevators	<input type="checkbox"/> Incline Elevators			139
<input type="checkbox"/> Stairway Chair Lifts	<input type="checkbox"/> Wheelchair Lifts	<input type="checkbox"/> Other _____			140
*G. Was a structural pest or "whole house" inspection done?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	141
If yes, when and by whom was the inspection completed?					142
					143
H. During your ownership, has the property had any wood destroying organism or pest infestation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	144
I. Is the attic insulated?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	145
J. Is the basement insulated?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	146

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**SELLER DISCLOSURE STATEMENT
 IMPROVED PROPERTY**

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5. SYSTEMS AND FIXTURES

- | | YES | NO | DON'T KNOW | N/A | 149 |
|---|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------|-----|
| *A. If any of the following systems or fixtures are included with the transfer, are there any defects?
If yes, please explain: _____ | | | | | 151 |
| Electrical system, including wiring, switches, outlets, and service | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 152 |
| Plumbing system, including pipes, faucets, fixtures, and toilets | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 153 |
| Hot water tank | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 154 |
| Garbage disposal | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 155 |
| Appliances..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 156 |
| Sump pump..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 157 |
| Heating and cooling systems | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 158 |
| Security system: <input type="checkbox"/> Owned <input type="checkbox"/> Leased..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 159 |
| Other..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 160 |
| *B. If any of the following fixtures or property is included with the transfer, are they leased?
(If yes, please attach copy of lease.) | | | | | 161 |
| Security System: _____ | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 162 |
| Tanks (type): _____ | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 163 |
| Satellite dish: _____ | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 164 |
| Other: _____ | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 165 |
| *C. Are any of the following kinds of wood burning appliances present at the property? | | | | | 166 |
| (1) Woodstove? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 167 |
| (2) Fireplace insert? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 168 |
| (3) Pellet stove? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 169 |
| (4) Fireplace? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 170 |
| If yes, are all of the (1) woodstoves or (2) fireplace inserts certified by the U.S. Environmental
Protection Agency as clean burning appliances to improve air quality and public health? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 171 |
| D. Is the property located within a city, county, or district or within a department of natural
resources fire protection zone that provides fire protection services? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 172 |
| E. Is the property equipped with carbon monoxide alarms? (Note: Pursuant to RCW 19.27.530, Seller
must equip the residence with carbon monoxide alarms as required by the state building code.)..... | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 173 |
| F. Is the property equipped with smoke detection devices? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 174 |
| (Note: Pursuant to RCW 43.44.110, if the property is not equipped with at least one smoke
detection device, at least one must be provided by the seller.) | | | | | 175 |

6. HOMEOWNERS' ASSOCIATION/COMMON INTERESTS

- | | | | | | |
|--|--------------------------|-------------------------------------|--------------------------|--------------------------|-----|
| A. Is there a Homeowners' Association? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 176 |
| Name of Association and contact information for an officer, director, employee, or other authorized
agent, if any, who may provide the association's financial statements, minutes, bylaws, fining policy,
and other information that is not publicly available: _____ | | | | | 177 |
| B. Are there regular periodic assessments? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 178 |
| \$ _____ per <input type="checkbox"/> month <input type="checkbox"/> year | | | | | 179 |
| <input type="checkbox"/> Other: _____ | | | | | 180 |
| *C. Are there any pending special assessments? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 181 |
| *D. Are there any shared "common areas" or any joint maintenance agreements (facilities
such as walls, fences, landscaping, pools, tennis courts, walkways, or other areas
co-owned in undivided interest with others)? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 182 |

7. ENVIRONMENTAL

- | | | | | | |
|--|--------------------------|-------------------------------------|--------------------------|--------------------------|-----|
| *A. Have there been any flooding, standing water, or drainage problems on the property
that affect the property or access to the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 183 |
| *B. Does any part of the property contain fill dirt, waste, or other fill material?..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 184 |
| *C. Is there any material damage to the property from fire, wind, floods, beach movements,
earthquake, expansive soils, or landslides? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 185 |
| D. Are there any shorelines, wetlands, floodplains, or critical areas on the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 186 |
| *E. Are there any substances, materials, or products in or on the property that may be environmental
concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical
storage tanks, or contaminated soil or water? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 187 |
| *F. Has the property been used for commercial or industrial purposes? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 188 |


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(Continued)

	YES	NO	DON'T KNOW	N/A	205
*G. Is there any soil or groundwater contamination?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	206
*H. Are there transmission poles or other electrical utility equipment installed, maintained, or buried on the property that do not provide utility service to the structures on the property?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	208
*I. Has the property been used as a legal or illegal dumping site?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	209
*J. Has the property been used as an illegal drug manufacturing site?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	210
*K. Are there any radio towers in the area that cause interference with cellular telephone reception?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	211
8. LEAD BASED PAINT (Applicable if the house was built before 1978).					212
A. Presence of lead-based paint and/or lead-based paint hazards (check one below):					213
<input type="checkbox"/> Known lead-based paint and/or lead-based paint hazards are present in the housing (explain). _____					214
<input checked="" type="checkbox"/> Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.					215
B. Records and reports available to the Seller (check one below):					216
<input type="checkbox"/> Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below). _____					217
<input checked="" type="checkbox"/> Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards 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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	221
If yes, please describe the alterations: _____					222
*B. Did any previous owner make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	223
*C. If alterations were made, were permits or variances for these alterations obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	224
10. FULL DISCLOSURE BY SELLERS					225
A. Other conditions or defects:					226
*Are there any other existing material defects affecting the property that a prospective buyer should know about?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	227
B. Verification					228
The foregoing answers and attached explanations (if any) are complete and correct to the best of Seller's knowledge and Seller has received a copy hereof. Seller agrees to defend, indemnify and hold real estate licensees harmless from and against any and all claims that the above information is inaccurate. Seller authorizes real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.					229
 _____					230
Date	7/29/19	Seller	Date		231
					232
If the answer is "Yes" to any asterisked (*) items, please explain below (use additional sheets if necessary). Please refer to the line number(s) of the question(s).					233
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**SELLER DISCLOSURE STATEMENT
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II. NOTICES TO THE BUYER

1. SEX OFFENDER REGISTRATION

INFORMATION REGARDING REGISTERED SEX OFFENDERS MAY BE OBTAINED FROM LOCAL LAW ENFORCEMENT AGENCIES. THIS NOTICE IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN THIS INFORMATION AND IS NOT AN INDICATION OF THE PRESENCE OF REGISTERED SEX OFFENDERS.

2. PROXIMITY TO FARMING/WORKING FOREST

THIS NOTICE IS TO INFORM YOU THAT THE REAL PROPERTY YOU ARE CONSIDERING FOR PURCHASE MAY LIE IN CLOSE PROXIMITY TO A FARM OR WORKING FOREST. THE OPERATION OF A FARM OR WORKING FOREST INVOLVES USUAL AND CUSTOMARY AGRICULTURAL PRACTICES OR FOREST PRACTICES, WHICH ARE PROTECTED UNDER RCW 7.48.305, THE WASHINGTON RIGHT TO FARM ACT.

3. OIL TANK INSURANCE

THIS NOTICE IS TO INFORM YOU THAT IF THE REAL PROPERTY YOU ARE CONSIDERING FOR PURCHASE UTILIZES AN OIL TANK FOR HEATING PURPOSES, NO COST INSURANCE MAY BE AVAILABLE FROM THE POLLUTION LIABILITY INSURANCE AGENCY.

III. BUYER'S ACKNOWLEDGEMENT

1. BUYER HEREBY ACKNOWLEDGES THAT:

- A. Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation.
- B. The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party.
- C. Buyer acknowledges that, pursuant to RCW 64.06.050(2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information.
- D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.
- E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) 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 *Protect Your Family From Lead in Your Home*.

DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.

Buyer	Date	Buyer	Date

2. BUYER'S WAIVER OF RIGHT TO REVOKE OFFER

Buyer has read and reviewed the Seller's responses to this Seller Disclosure Statement. Buyer approves this statement and waives Buyer's right to revoke Buyer's offer based on this disclosure.

Buyer	Date	Buyer	Date

3. BUYER'S WAIVER OF RIGHT TO RECEIVE COMPLETED SELLER DISCLOSURE STATEMENT

Buyer has been advised of Buyer's right to receive a completed Seller Disclosure Statement. Buyer waives that right. However, if the answer to any of the questions in the section entitled "Environmental" would be "yes," Buyer may not waive the receipt of the "Environmental" section of the Seller Disclosure Statement.

Buyer	Date	Buyer	Date

SELLER'S INITIALS _____ Date 7/27/19

SELLER'S INITIALS _____ Date _____