

EVERETT SCHOOL DISTRICT NO. 2

RESOLUTION NO. 670

A resolution of the Board of Directors (the "Board") of the Everett School District No. 2 (the "District") to sell real property no longer needed for school purposes.

WHEREAS, the District has, by resolution, declared the real property located at 5101 Woodlawn Avenue, more particularly described on Exhibit A (the "Surplus Property"), to be surplus, and desires to dispose of such Surplus Property by sale in accordance with law, including without limitation RCW 28A.335.090; and

WHEREAS, Richard L. and Kim A. Horst, husband and wife, have offered to purchase the Surplus Property from the District, subject to terms and conditions set forth in the form of Agreement attached hereto as Exhibit B (the "Horst Agreement"); and

WHEREAS, the terms of the Horst Agreement are acceptable to the District;

NOW, THEREFORE, BE IT RESOLVED that the actions of the District's Superintendent, Dr. Monte Littell (and his authorized designees), in negotiating and executing the Horst Agreement, subject to Board approval, are hereby ratified, affirmed and approved;

AND FURTHER RESOLVED that the District's Superintendent, Dr. Monte Littell (or his authorized designees), be, and he hereby is, authorized and directed to take such other and further actions as may be necessary or appropriate on behalf of the District to accomplish the sale of the Surplus Property for cash and conveyance by

deed of all interest of the District in and to the Surplus Property, subject to and in accordance with the terms of this resolution and the Horst Agreement.

ADOPTED this 3rd day of May, 1999.

EVERETT SCHOOL DISTRICT NO. 2
a municipal corporation in the State of
Washington

By Paula Kelly - Clarke
_____, President

By [Signature]
_____, Vice-President

By Karen Mason
_____, Member

By [Signature]
_____, Member

By [Signature]
_____, Member

ATTEST:

By M. Little

Secretary for the Board

Exhibit A
Legal Description

Lot 6, CASCADE TERRACE ADDITION TO EVERETT, according to the
plat thereof recorded in volume 12 of Plats, page 41 in Snohomish County,
Washington

Exhibit B
Horst Agreement

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

1. Date: April 7, 1999 MLS No.: 99 033627
2. Buyer: Richard L. and Kim A. Horst (H&W)
3. Seller: Everett School District
4. Property: Tax Parcel Nos.: 4029000006003 (Snohomish County)
Street Address: 5101 Woodlawn Ave Washington 98203
Included Items: ☒ stove/range ☒ refrigerator ☒ washer ☐ dryer ☒ dishwasher ☐ trash compactor
☐ wood stove ☐ fireplace insert ☐ security system ☐ other _____
Legal Description:

5. Purchase Price: Two hundred four thousand nine hundred dollars & no/100

6. Earnest Money: (To be held by ☒ Selling Broker ☐ Closing Agent)

Personal Check: \$ 5,000.00

Note: \$ _____

Other (_____): \$ _____

7. Default: (check only one) ☒ Forfeiture of Earnest Money ☐ Seller's Election of Remedies

8. Title Insurance Company: Pacific NW Title

9. Closing Agent: ☐ a qualified closing agent of Buyer's choice ☒ ~~agent~~ See Addendum A JR

10. Closing Date: See Addendum A JR

11. Possession Date: ☒ on Closing ☐ _____ calendar days after Closing ☐ _____

12. Offer Expiration Date: _____

13. Counteroffer Expiration Date: _____

14. Addenda: NWMLS Forms 21, 22A, 22Z, 22J
CBB Forms 226A, 35 D, 35 A, 35

15. Agency Disclosure: Selling Licensee represents ☒ Buyer ☐ Seller ☐ both parties ☐ neither party
Listing Agent represents ☒ Seller ☐ both parties.

16. Services of Closing Agent for Payment of Utilities: ☐ Requested (Attach NWMLS Form 22K) ☒ Waived

Buyer's Signature

Kim A. Horst

Date

4-7-99

Buyer's Signature

3915 120th Pl SE

Date

Buyer's Address

Everett, WA 98208

City, State, Zip

425 379-5653

Phone

Coldwell Banker Bain 7483

Fax

Selling Broker

Rick Horst

MLS Office No.

Selling Licensee (Print)

1000 SE Everett Mall Way

Selling Office Address

Everett, WA 98208

City, State, Zip

425 513-0528 425 379-5653

Phone

Fax

Seller's Signature

Jeffrey S. Pardo

Date

4/15/99

Seller's Signature

4730 Colby Ave.

Date

Seller's Address

Everett, WA 98203

City, State, Zip

(425) 339-4216

Phone

Coldwell Banker Bain Associates 7483

Fax

Listing Broker

Broderick M. Gons

MLS Office No.

Listing Agent (Print)

1000 SE Everett Mall Way

Listing Office Address

Everett, WA 98208

City, State, Zip

(425) 335-2104

Phone

Fax

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

- a. **Purchase Price.** Buyer agrees to 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 or gifts, except to the extent otherwise specified in this Agreement.
- b. **Earnest Money.** Buyer agrees to deliver the Earnest Money within 2 days after mutual acceptance of this Agreement. Selling Licensee will deposit any check to be held by Selling Broker as Earnest Money within 3 days after receipt or mutual acceptance, whichever occurs later. If the Earnest Money is held by Selling Broker and is over \$5,000.00 it shall be deposited into an interest bearing trust account in Selling Broker'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 agrees to reimburse Selling Broker for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Broker is over \$5,000.00 Buyer has the option to require Selling Broker 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 Broker must deposit the Earnest Money or the Earnest Money is \$5,000.00 or less, the Earnest Money shall be deposited into the Housing Trust Fund Account. Selling Broker may transfer the Earnest Money to Closing Agent. Buyer agrees to pay financing and purchase costs incurred by Buyer. If all or part of the Earnest Money is to be refunded to Buyer and any such costs remain unpaid, the Selling Broker or Closing Agent may deduct and pay them therefrom.
- c. **Included Items.** Any of the following items 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; 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; hot tubs; and all bathroom and other fixtures. The items identified in Specific Term No. 4 are included only if the corresponding box is checked. If any of the above Included Items are leased or encumbered, Seller agrees to acquire and clear title at or before Closing.
- d. **Condition of Title.** Buyer and Seller authorize Selling Licensee, Listing Agent or Closing Agent to insert, attach or correct the Legal Description of the Property over their signatures. 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. Monetary encumbrances not assumed by Buyer shall be paid 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. *See addendum "A" to this Agreement*
- e. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for a standard form owner's policy of title insurance, with homeowner's additional protection and inflation protection endorsements if available at no additional cost, from the Title Insurance Company. The Title Insurance Company is to send a copy of the preliminary commitment to both Listing Agent and Selling Licensee. The preliminary commitment, and the title policy to be issued, shall contain no exceptions other than the General Exclusions and Exceptions in said standard form 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.

Initials: BUYER: *[Signature]* DATE: *4-7-99* SELLER: *JR* DATE: *4/15/99*
BUYER: *KH* DATE: *4/7/99* SELLER: DATE:

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

- f. **Closing.** This sale shall be closed by the Closing Agent on the Closing Date. If this Agreement is contingent on the sale of Buyer's home, this sale shall be closed 1 day after the closing of the sale of Buyer's home or 30 days after Buyer's waiver of that contingency, whichever date occurs earlier. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. 46 47 48 49
- g. **Possession.** Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller agrees to maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. 50 51
- h. **Closing Costs and Prorations.** Seller and Buyer shall each pay one-half of the escrow fee unless this sale is FHA or VA financed, in which case it shall be paid according to FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer agrees to 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 them at Closing from money due, or to be paid by, Seller. Buyer agrees to pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement as to the quantity and current price from the supplier. Seller agrees to pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 16, 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 agrees to 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). 52 53 54 55 56 57 58 59 60 61 62
- i. **Sale Information.** The Listing Agent or Selling Licensee 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 authorize all lenders, Closing Agents, appraisers, title insurance companies, and others related to this Sale, to furnish the Listing Agent and/or Selling Licensee, on request, any and all information and copies of documents concerning the status, progress and final disposition of financing, appraisal, Closing, title condition, and any other matter concerning this sale, including Buyer's credit report. 63 64 65 66 67 68
- j. **FIRPTA - Tax Withholding at Closing.** The Closing Agent is instructed to prepare a certification (NWMLS Form 22E or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment In Real Property Tax Act. Seller agrees to sign this certification. If Seller is a foreign person, 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. 69 70 71 72
- k. **Notices.** Unless otherwise specified in this Agreement, any notice required or permitted in, or 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 given only when the notice is received by Seller, by Listing Agent or at the licensed office of Listing Agent. Notices to Buyer must be signed by at least one Seller and shall be deemed given only when the notice is received by Buyer, by Selling Licensee or at the licensed office of Selling Licensee. Receipt by Selling Licensee of a Real Property Transfer Disclosure Statement, Public Offering Statement and/or Resale Certificate shall be deemed receipt by Buyer. Selling Licensee and Listing Agent have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address shown on this Agreement. Buyer and Seller must keep Selling Licensee and Listing Agent advised of their whereabouts in order to receive prompt notification of receipt of a notice. 73 74 75 76 77 78 79 80 81 82
- l. **Computation of Time.** Unless otherwise specified in this Agreement, any period of time 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, unless the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, in which event 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 shall not include Saturdays, Sundays or legal holidays. Time is of the essence in this Agreement. 83 84 85 86 87 88

Initials: BUYER: HH DATE: 4-7-99 SELLER: JR DATE: 4/15/99 89
BUYER: HH DATE: 4/7/99 SELLER: _____ DATE: _____ 90

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

- m. **Facsimile Transmission.** Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will confirm facsimile transmitted signatures by signing an original document. 91-93
- n. **Integration.** 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. 94-96
- o. **Assignment.** Buyer may not assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless provided otherwise herein. 97-98
- p. **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. 7, shall apply: 99-100
- 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. 101-102
- ii. **Seller's Election of Remedies.** Seller may, at Seller's option, (a) keep as liquidated damages all or a portion of the Earnest Money 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. 103-106
- q. **Attorneys' Fees.** If Buyer or Seller institutes suit against the other concerning this Agreement the prevailing party is entitled to reasonable attorneys' fees and expenses. 107-108
- r. **Offer.** Buyer agrees to purchase the Property under the terms and conditions of this Agreement. Seller shall have until 9:00 p.m. on the Offer Expiration Date to accept this offer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is actually received by Buyer, by Selling Licensee or at the licensed office of Selling Licensee. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 109-112
- s. **Counteroffer.** Seller agrees to sell the Property under the terms and conditions of this Agreement. If Seller makes a counteroffer, Buyer shall have until 9:00 p.m. on the Counteroffer Expiration Date to accept the counteroffer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is actually received by Seller, by Listing Agent or at the licensed office of Listing Agent. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. If no expiration date is specified for a future counteroffer, the counteroffer shall expire at 9:00 p.m. on the second day after the counteroffer is signed by the last party making the counteroffer, unless sooner withdrawn. 113-119
- t. **Agency Disclosure.** Selling Broker represents the same party that Selling Licensee represents. Listing Broker represents the same party that the Listing Agent represents. If Selling Licensee and Listing Agent are different salespersons affiliated with the same Broker, then both Buyer and Seller confirm their consent to that Broker representing both parties as a dual agent. If Selling Licensee and Listing Agent are the same salesperson representing both parties then both Buyer and Seller confirm their consent to that salesperson and his/her Broker representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency." 120-125
- u. **Commission.** Seller and Buyer agree to pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Broker's commission shall be apportioned between Listing Broker and Selling Broker as specified in the listing. Seller and Buyer assign to Listing Broker and Selling Broker, 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 Broker(s). In any action by Listing or Selling Broker to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. 126-131

Initials: BUYER: BA DATE: 4-7-99 SELLER: JR DATE: 4/15/99 132
BUYER: BA DATE: 4/7/99 SELLER: JR DATE: 4/15/99 133

**FINANCING ADDENDUM TO
PURCHASE & SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated April 7, 1999
between Everett School District ("Seller")
and Rick and Kim Horst ("Buyer")
concerning 5101 Woodlawn Ave Everett, WA ("the Property")

1. **DOWN PAYMENT/LOAN APPLICATION.** This Agreement is contingent on Buyer obtaining a ☒ Conventional
☐ FHA ☐ VA purchase loan. Buyer agrees to pay up to 50% down,
and to make written application and pay the application fee, if required, for the subject Property ☐ within _____
days (5 days if not filled in) after mutual acceptance of this Agreement, or ☐ if this Agreement is conditioned on the
sale of Buyer's home, within _____ days (5 days if not filled in) after Buyer satisfies or removes that conting-
ency, for a loan to pay the balance of the purchase price. If Buyer fails to make application for financing within the
agreed time, then this financing contingency shall be deemed waived.
2. **FINANCING DEADLINE/SELLER TERMINATION NOTICE.** If Buyer has not within _____ days
(30 days if not filled in) after making application for a loan, given notice that Buyer has waived this financing contin-
gency, then Seller may, at any time thereafter, elect to terminate this Agreement by giving 5 days notice. If, within 5
days of Seller's notice, Buyer does not waive this financing contingency by notice, this Agreement shall terminate.
3. **EARNEST MONEY.** If Buyer has not waived this financing contingency, and is unable to obtain financing after a good
faith effort then, on Buyer's notice, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.
4. **INSPECTION/REPAIRS.**
Inspection May Be Required. Seller understands that in order for Buyer to obtain financing, the lender may require
inspections including, but not limited to, general structural, termite, heating, plumbing, roof, electrical, septic tank and
well water, and may require the Property to comply with the housing code. Seller agrees to permit such inspections,
but is not obligated to pay for such inspections or repairs except as otherwise agreed.
Repairs — Obligation To Make Whether Or Not Sale Closes. Seller understands that as a result of any inspection,
the city or county may require Seller to make repairs to the Property to comply with the housing code even if a sale is
not completed.
5. **APPRAISAL LESS THAN SALE PRICE.** If Buyer's lender's appraisal of the 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 Buyer's election
to terminate this Agreement unless Seller, within 10 days after receipt of such notice, delivers to Buyer either:
 - (i) (a) If this Agreement is contingent on FHA financing, a reappraisal by the same appraiser in an amount not less than
the Purchase Price or (b) if this Agreement is contingent on non-FHA financing, reappraisal by the same appraiser
or another appraiser acceptable to the lending institution in an amount not less than the Purchase Price; or
 - (ii) Written consent to reduce the selling price to an amount not more than the amount specified in the appraisal or
reappraisal, whichever is higher. (Not applicable if this Agreement is conditioned on FHA financing. FHA does
not permit the Buyer to be obligated to buy if the Seller reduces the Purchase Price to the appraisal value. The
Buyer, however, has the option to buy at the reduced price.)

If such reappraisal or consent to reduction of Purchase Price is not so delivered, this Agreement shall terminate and
the Earnest Money shall be refunded to Buyer. To permit the parties the foregoing times for notices, the Closing Date
shall be extended accordingly.

Initials: BUYER: [Signature] Date: 4/7/99 SELLER: [Signature] Date: 4/15/99
BUYER: [Signature] Date: 4/7/99 SELLER: _____ Date: _____

**FINANCING ADDENDUM TO
PURCHASE & SALE AGREEMENT**
(continued)

6. SPECIAL FHA/VA PROVISIONS.

FHA LOAN COSTS. If this sale is contingent on Buyer obtaining an FHA loan, Seller agrees to pay up to _____
(if not filled in, the amount is zero) to be applied:

- ☐ first, to that portion of Buyer's loan and settlement costs as the lender is prohibited from collecting from the Buyer under FHA regulations;
- ☐ second, to Buyer's loan discount at the interest rate selected by Buyer or to other settlement costs as allowed by FHA regulations.

(NOTE: If neither box is filled in but a dollar amount is inserted above, then both apply).

VA LOAN COSTS. If this sale is contingent on Buyer obtaining a VA loan, Seller agrees to pay the full escrow fee for the entire transaction. In addition Seller agrees to pay up to _____ (if not filled in, the amount is zero) to be applied:

- ☐ first, to that portion of Buyer's loan and settlement costs as the lender is prohibited from collecting from the Buyer under VA regulations;
- ☐ second, to Buyer's loan discount, loan fee, interest buy down and/or financing and closing costs to the extent it is allowable by VA regulations and Buyer's loan amount is not thereby reduced.

(NOTE: If neither box is filled in but a dollar amount is inserted above, then both apply).

7. FHA/VA — Appraisal Certificate. If this Agreement is contingent on Buyer obtaining FHA or VA financing, it is expressly agreed that notwithstanding any other provisions of this Agreement, Buyer shall not be obligated to complete the purchase of the Property unless Buyer has been given in accordance with HUD/FHA or VA requirements a written statement by FHA, VA, or a Direct Endorsement lender, setting forth the appraised value of the Property (excluding closing costs). Buyer shall pay the costs of any appraisal. If the appraised value of the Property is less than the Purchase Price, paragraph 5 above shall apply. If Seller does not reduce the Purchase Price to the appraised or reappraised value, or deliver a reappraisal at or exceeding the sale price, the Buyer shall have the privilege and option of proceeding with the consummation of this Agreement without regard to the appraised value, provided the difference in excess of the appraised value is paid in cash.

Purpose of Appraisal. The appraised valuation is arrived at only to determine the maximum mortgage FHA or VA will insure. Neither FHA nor VA warrant the value or the condition of the Property. The Buyer should satisfy himself/herself that the price and condition of the Property are acceptable.

"Importance of Home Inspections" Notice for FHA Loans. FHA requires the Buyer to sign a FHA "Importance of Home Inspections" Notice (NWMLS Form 22F, Rev. date 1/97 or later) on or before the date the Buyer executes any purchase and sale agreement. This requirement does not apply to new construction.

Initials: BUYER: [Signature] Date: 4-7-99 SELLER: [Signature] Date: 4/15/99

BUYER: [Signature] Date: 4/7/99 SELLER: _____ Date: _____



GENERAL ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is a part of the Purchase and Sale Agreement dated April 7, 1999,
between Everett School District ("Seller")
and Rick and Kim Horst ("Buyer")
concerning: 5101 Woodlawn Ave Everett, WA ("Property").

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

1. **NOTICE TO BUYER AND SELLER.** Agent is not licensed to practice law and cannot give legal advice. Buyer and Seller also acknowledge that they have not received or relied on any statements or representations by agent regarding the tax or legal consequences of this Agreement. Buyer and Seller are advised to seek independent legal or financial counsel regarding this Agreement. THIS AGREEMENT CONSTITUTES THE FULL UNDERSTANDING BETWEEN SELLER, BUYER, AND AGENT. There are no verbal representations or other agreements that modify or affect this Agreement, unless set forth in writing and signed by both Buyer and Seller.

2. **MAINTENANCE OF PROPERTY.** Property and grounds shall be maintained by the Seller – up to the time of transfer of possession – in substantially the same condition as when viewed by Buyer. All plumbing, heating, electrical systems and included appliances shall be in the same condition at time of transfer as when initially inspected by Buyer. Should an appliance or system break down or malfunction prior to closing, Seller shall have the obligation to either repair or replace with an appliance of comparable quality. Buyer reserves the right to re-inspect the property within five (5) days prior to closing or transfer of possession, whichever occurs first, to verify the condition of property.

see Addendum #1 JL

3. **LOT SIZE AND SQUARE FOOTAGE.** Coldwell Banker Bain Associates and its agents make no representation as to the accuracy of lot size nor the square footage of the Property, whether or not this is improved real estate, and whether or not there are any encroachments on the Property. Buyer is advised to verify correct lot size, square footage and any encroachments to their own satisfaction.

4. **ITEMS LEFT BY SELLER/CLEANING.** Any personal property, fixtures or other items remaining on the Property when possession is transferred to Buyer shall there upon become the Property of the Buyer, and may be retained or disposed of as Buyer determines. Seller agrees to broom clean the interiors of any structures and remove all trash, debris and appliances not included in the sale prior to Buyer taking possession. In addition to all items listed in the Purchase and Sale Agreement, the following items have no significant value to the Seller and shall remain at the time of closing as a convenience to the Seller: chairs, tables,

school supplies, toys, equipment in play areas,
all items as viewed 4-7-99

see Addendum #2 JL

5. **NWMLS Form 17 and PROPERTY INSPECTION.** The Property Information Form (NWMLS Form 17) is the Seller's disclosure of the present condition of the Property to the best of the Seller's knowledge and is not a warranty of any kind by either the Seller or Coldwell Banker Bain Associates and its agents.

If NWMLS Form 17 has not been provided to the Buyer by the Seller at the date of this offer, then NWMLS Form 17:
(check one box only)

- ☒ is to be provided to the Buyer within ____ days (5 calendar days if not filled in) of mutual acceptance.
☐ is not available. Buyer waives right to receive Seller's real property disclosure statement.
☐ is not required—exempt transaction under RCW 64.06.

THE BUYER IS ADVISED TO CONDUCT SUCH INSPECTIONS, AT THEIR OWN EXPENSE, AS THEY DEEM NECESSARY TO ASCERTAIN THE TRUE CONDITION OF THE PROPERTY AND SHOULD NOT RELY ON NWMLS FORM 17 AS A SUBSTITUTE.

6. HOMEOWNER'S WARRANTY. Buyer and Seller hereby acknowledge that Coldwell Banker Bain has advised them that there are commercially available homeowner's warranties that insure many structural and mechanical components of the residence.

Buyers have elected ☒ to obtain ☐ to not obtain a home warranty.

The home warranty, if requested, shall be paid as a ☒ Buyer expense ☐ Seller expense.

NOTE: IF HOME EXCEEDS 4,000 SQUARE FEET, SOME INSURERS MAY CHARGE A SPECIAL PREMIUM RATE.

7. CONDOMINIUM/COOPERATIVE/P.U.D/HOMEOWNER'S ASSOCIATION/PRIVATE MAINTENANCE ASSOCIATIONS MEETING MINUTES/FINANCIAL STATEMENTS. If this Purchase and Sales Agreement is for the purchase of a condominium/cooperative/p.u.d/homeowner's association unit/private maintenance associations unit, then Seller shall provide Buyer with copies of the minutes of the prior two (2) years meetings of the Association, the prior six (6) months meetings of the Association Board of Directors and the last two (2) years annual financial statements. These documents shall be provided within five (5) business days of mutual acceptance or with the Condominium Resale Certificate and/or Public Disclosure Statement if pertaining to condominium or cooperative units. Buyer shall have the right to review and approve or disapprove these documents under the same provisions as the Investigation of Title Report, CBB Form 22TR, attached hereto.

7a. CONDOMINIUM RESALE CERTIFICATES/PUBLIC OFFERING STATEMENTS. If this Agreement is subject to Buyer's approval of a Resale Certificate or Public Offering Statement, then Buyer must sign and date a receipt upon receiving the Resale Certificate or Public Offering Statement. Buyer must acknowledge in writing receipt of the Resale Certificate or Public Offering Statement within two (2) days of receipt of the Resale Certificate or Public Offering Statement by the selling office. If Buyer's acknowledgment is not received by the listing licensee within this time period, then Seller may, at his/her sole discretion, withdraw from this transaction and return the Buyer's earnest money rendering this transaction null and void.

8. FORM 22K: UTILITIES AND ESCROW. The Seller agrees to provide the Buyer with a statement containing the names and addresses of all publicly owned utilities. (Attach NWMLS Form 22K.)

If escrow has been requested to pay final utility bills, escrow may, at escrow's option, retain from the Seller's net closing proceeds such funds as escrow believes are sufficient to make final payments of said public utility bills. If requested by escrow, Seller shall deliver the final utility bills to escrow. Escrow may charge additional fees for the payment of utility charges, which shall be shared equally between Buyer and Seller.

At the Seller's option, the Seller may deliver to escrow at closing receipt(s) showing that all final publicly owned utility bills have been paid in full.

Sanitary Sewer capacity charges, if any, shall be assumed by Buyer at closing.

9. 1031 TAX DEFERRED EXCHANGE. If either the Buyer or Seller has specified in writing that they desire to effect a tax deferred exchange under IRS Code Section 1031, the specifying party shall pay for any additional cost or fees required to accomplish the exchange. The Buyer and Seller agree to cooperate in the exchange and sign documents reasonably necessary to accomplish the exchange. Cooperation does not extend to substantial delay or risk to either party.

10. SMOKE DETECTOR ORDINANCES. Local ordinances have different requirements regarding smoke detectors. Seller and Buyer acknowledge that it is their responsibility, not the Agent's, to ensure compliance.

11. WELLS AND SEPTIC SYSTEMS. Buyer, Seller and Agents understand that none of the parties has expertise concerning wells and septic systems. Seller's warranties in the Purchase and Sale Agreement are expressly limited to conditions and defects known to Seller. At Buyer's option and expense, investigation of a private well and/or a septic system by an appropriate professional of Buyer's choice may be included in the inspection contingency if applicable.

12. LEAD PAINT DISCLOSURE (RESIDENTIAL PROPERTIES ONLY). Was property built prior to 1978?

☒ Yes—Buyer acknowledges receipt of EPA approved pamphlet regarding lead hazards. ☐ No.

13. DEFERRED DEPOSIT OF EARNEST MONEY. The earnest money referred to in the Purchase and Sale Agreement shall be deposited by receiving Broker within _____ (3 if not filled in) business days of: ☒ removal of the Inspection Condition, or ☐ mutual acceptance of this Agreement, or ☐ other _____

14. DISCLOSURE. Coldwell Banker Bain Associates has a financial interest in Escrow Professionals of Washington, AON Warranty and Cendant Mortgage.

INITIALS: BUYER

BUYER

SELLER

SELLER

15. **OIL TANK DISCLOSURE.** Buyer is advised that, if this Property contains or has previously contained an underground oil tank, the Buyer should obtain and review the following publications: "Abandoned Heating Oil Tanks, What Should I Do?" published by the State of Washington Pollution Liability Insurance Agency; "Heating Oil Pollution Liability Insurance Program" published by the State of Washington Pollution Liability Insurance Agency; "What's the Fuss . . . About Heating Oil Tanks?" published by the State of Washington Pollution Liability Insurance Agency; and "Residential Heating Oil Tanks" published by the Washington State Department of Ecology.

16. **OTHER:**

1. Sellers to participate in possible 1031 tax deferred exchange at no expense to sellers.

2. Sellers acknowledge buyers are licensed Real Estate Agents

RH/ [Signature]
See Addendum "A" JL

ALL OTHER TERMS AND CONDITIONS of said Purchase and Sale Agreement remain unchanged.

[Signature]

Buyer Date 4-7-99

Kmitt Horst

Buyer Date 4/7/99

[Signature]

Seller Date 4/15/99

Seller Date

Snohomish County Smoke Detector Certification Addendum

The following is part of the Purchase and Sale Agreement/Lease Agreement or Rental Agreement dated April 7, 1999, between Everett School District ("Seller" or "Lessor") and Rick and Kim Horst ("Buyer" or "Lessee") concerning: 5101 Wadsworth Ave Everett, WA (the "Property").

NOTE: Snohomish County Ordinance requires the following certification to be provided by the Seller/Lessor of "Single Family Residences" or "Licensed Care" occupancies as defined by the Uniform Building Code prior to closing or entering into a rental or lease agreement for a residence. Neither Listing Agent nor Selling Licensee can warrant Seller/Lessor's certification. The Ordinance provides as follows:

Transfer of Residence. 1007.2.9.3.6

Effective January 27th, 1997, it shall be unlawful for any person to convey fee title, rent or lease any real property, which includes a residence, or transfer possession of any residence pursuant to a land sale contract unless there is a property operating smoke detector in the residence which has been installed in accordance with this section. Prior to the closing of sale or entering into a rental or lease agreement of a residence, it shall be the duty of the owner to certify to the buyer, renter or lessee, in writing, that all smoke detectors required by this section are installed and are in proper working order.

Installation Required. 1007.2.9.3.2.

- (1) The smoke detector shall be installed in a manner and location consistent with the manufacturer's instructions. The installation shall include not less than one smoke detector adjacent to the sleeping area which is in operable condition and provides an audible warning that can be heard in all rooms, including the sleeping area(s), and not less than one smoke detector on each level of the dwelling, including the basement but excluding any crawl space or unfinished attic. Where multiple sleeping areas exist and are widely separated (i.e. on different levels or opposite ends of the residence) or where a single smoke detector will not adequately service all sleeping areas, there shall be additional smoke detectors installed adjacent to each sleeping area.
- (2) Hard-wired smoke detectors shall be installed in all residences built or manufactured after December 31, 1980. In new construction, required smoke detectors shall receive their primary power from the building wiring when such wiring is served from a commercial source and shall be equipped with a battery backup. The detector shall emit a signal when the batteries are low. Wiring shall be permanent and without a disconnecting switch other than those required for overcurrent protection. Battery-operated smoke detectors may be utilized in existing residences which were constructed prior to December 31, 1980.
- (3) No permit for alterations, repairs or additions to an existing residence shall be issued unless the owner certifies that a properly operating smoke detector has been installed in the residence in accordance with this section.

Testing and Maintenance. 1007.2.9.3.4.

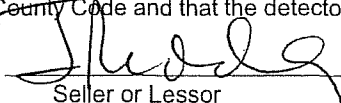
Installation of smoke detection devices shall be the responsibility of the owner. Maintenance of smoke detection devices, including the replacement of batteries where required for the proper operation of the smoke detection device, shall be the responsibility of the tenant or occupant. It shall be the responsibility of the tenant or occupant to maintain the device as specified by the manufacturer and test the performance of the smoke detector(s) as recommended by the manufacturer at intervals of not less than once a month. If the detector is battery operated, new batteries shall be installed whenever the unit emits a low battery signal or at a minimum of once each year whether or not a low battery signal is present.

Removal or Tampering. 1007.2.9.3.5.

It shall be unlawful for any person to remove a properly functioning smoke detector installed in conformance with this section unless it is for the purpose of repair or replacement of the unit. It shall be unlawful for any person to remove batteries, other than for replacement, or in any other way make inoperable or interfere with the effectiveness of a smoke detector installed in conformance with this section.

SELLER/OWNER'S CERTIFICATION:

I certify that smoke detector(s) have been installed in the above referenced Property as required by section 16.04.250 of the Snohomish County Code and that the detector(s) are in proper working order.



Seller or Lessor

4/15/99

Date

Seller or Lessor

Date

WHITE—Selling/Lessee's Agent's Copy GREEN—Escrow Copy CANARY—Purchaser's/Lessee's 2nd Copy
PINK—Seller's/Lessor's Copy GOLD—Purchaser's/Lessee's 1st Copy



**INVESTIGATION AND FEASIBILITY
ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT**

The following is a part of the Purchase and Sale Agreement dated April 17, 1999,
between Everett School District ("Seller")
and Rick and Kim Horst ("Buyer")
concerning: 5101 Woodlawn Ave Everett WA ("Property").

INVESTIGATION AND FEASIBILITY STUDY CONDITION

Buyer's or Buyer's designees shall have the right to enter the property and to conduct an investigation and a feasibility study of the suitability of the property for Buyer's intended use including, but not limited to market feasibility, engineering and soils studies, investigation of zoning, subdivision or other land use restrictions, availability of utilities and cost study of any improvements to be made to subject property.

The investigation and feasibility study shall also include the following conditions: To
determine if the building is zoned and licensed
to operate a Pre-school/Daycare for up to
60 children.

This agreement is conditioned upon the suitability of the property for Buyer's intended use, in Buyer's sole judgment and discretion. This condition shall conclusively be deemed satisfied unless, within 14 business days after mutual acceptance of this Agreement, Seller or Seller's Agent receives written notice of disapproval from Buyer, in which event this Agreement shall terminate, Buyer shall restore the property to it's original condition (if changed in the course of the above investigation), and the earnest money shall be refunded in full to the Buyer.

Seller shall provide to Buyer any materials or paperwork that Seller has access to regarding, but not limited to, topography, site plans, drainfields, soils reports and wetland reports of subject property. Such materials to be delivered to Buyer within _____ business days of mutual acceptance of this Agreement.

Other:

See Addendum "A" KH

<u>[Signature]</u>	<u>4-7-99</u>	<u>[Signature]</u>	<u>4/15/99</u>
Buyer	Date	Seller	Date
<u>Kim Horst</u>	<u>4/7/99</u>		
Buyer	Date	Seller	Date

INSPECTION ADDENDUM TO PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated April 7, 1999,
between Everett School District ("Seller")
and Rick and Kim Horst ("Buyer")
concerning 5101 Woodlawn Ave Everett, WA ("the Property").

1. ☒ **INSPECTION CONTINGENCY.** The above Agreement is conditioned on Buyer's personal approval of a written inspection of the Property and the improvements on the Property. Buyer's inspection may include, at Buyer's option, the structural, mechanical and general condition of the improvements to the Property, an inspection of the Property for hazardous materials, a pest inspection, and a soils/stability inspection.

All inspections are to be (a) ordered by Buyer, (b) performed by an inspector 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. When the terms and conditions of this Inspection Addendum have been satisfied, then this Addendum shall be deleted from and no longer a part of the Agreement.

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 to in writing by Buyer and Seller.

Buyer waives the right to receive an amended Real Property Transfer Disclosure Statement pursuant to RCW 64.06 based on conditions identified in any inspection or inspection report(s).

Corrections. If Seller agrees to correct the condition(s) identified by Buyer, then it shall be accomplished at Seller's expense in a commercially reasonable manner prior to the Closing Date. In the case of hazardous materials, "correction" 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 licensed hazardous material engineer or other expert selected by Seller. Seller's corrections are subject to reinspection and approval, prior to Closing, by the inspector who prepared Buyer's inspection report, if Buyer elects to order and pay for such reinspection.

Neighborhood Review. Buyer's inspection includes Buyer's verification in Buyer's sole discretion that the conditions of the neighborhood in which the Property is located are consistent with Buyer's intended use of the Property (the "Neighborhood Review"). The Neighborhood Review includes 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 _____ days (3 days if not filled in) of mutual acceptance of this Agreement then this Neighborhood Review condition shall conclusively be deemed satisfied (waived).

Check option 1A or 1B to determine the course of action following inspection:

☐ **OPTION 1A Automatic Waiver if Buyer Does Not ~~Dis~~approve Inspection.**

This inspection contingency SHALL CONCLUSIVELY BE DEEMED SATISFIED (WAIVED) unless Buyer gives notice of disapproval of the inspection report within _____ days (10 days if not filled in) after mutual acceptance of this Agreement. Buyer may disapprove the inspection for any reason in Buyer's sole discretion. If Buyer gives a timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

Initials: BUYER: [Signature] DATE: 4-7-99 SELLER: [Signature] DATE: 4/15/99
BUYER: [Signature] DATE: 4/7/99 SELLER: _____ DATE: _____

INSPECTION ADDENDUM TO PURCHASE & SALE AGREEMENT
(continued)

Requests For Modification. If Option 1A applies, Buyer and Seller agree that any discussion, notice of defects and/or request to repair which does not expressly terminate the Agreement is a request for modification only and shall not affect Buyer's right to waive or remove the Inspection Contingency and close the transaction in accordance with the terms of this Agreement. Requests for modification do not eliminate the need for Buyer to give an explicit notice of disapproval to terminate this Agreement.

OR

☒ **OPTION 1B Seller's Opportunity to Repair if Buyer Disapproves of Inspection.**

(i) **Buyer's Notice of Disapproval.** This inspection contingency SHALL CONCLUSIVELY BE DEEMED SATISFIED (WAIVED) unless Buyer gives notice of disapproval within 14 days (10 days if not filled in) of mutual acceptance of this Agreement. The notice of disapproval must (a) identify the conditions to which the Buyer objects and (b) be accompanied by a copy of the portion(s) of a written inspection report that identifies the conditions to which the Buyer objects.

(ii) **Seller's Response.** If Buyer disapproves the inspection report then Seller shall have _____ days (3 days if not filled in) after receipt of Buyer's disapproval notice to give notice that Seller (a) will correct the conditions identified in Buyer's notice, (b) offers an alternative remedy for the disapproved conditions, or (c) will not make the repairs.

In lieu of repair by Seller, the parties may mutually agree on any other remedy for the disapproved conditions, 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 paragraph 1B(ii), then this Inspection Contingency will be deemed satisfied.

(iii) **Seller Will Not Repair/No Agreement for Alternative Remedies.** If the Seller does not give notice that the Seller will correct the condition(s) identified by Buyer or if the parties have not secured a written agreement for alternative remedies, then Buyer may elect to give notice of termination of this Agreement within _____ days (3 days if not filled in) after expiration of the time limit in paragraph 1B(ii) or delivery of Seller's notice pursuant to paragraph 1B(ii), whichever first occurs. The Earnest Money shall then be refunded to the Buyer and the parties shall have no further obligations to each other. Requests for modification or Buyer's "conditional approval" of the inspection report do not eliminate the need for Buyer to give an explicit notice of termination to terminate this Agreement.

ATTENTION BUYER. You should carefully note paragraphs 1B(i) and 1B(iii). Unless you give these notices, you will be required to purchase the Property without the Seller having corrected the conditions noted in the written inspection report and without any alternative remedy for those conditions.

2. ☐ **WAIVER OF INSPECTION.** Buyer has been advised to obtain a professional building, hazardous substances, pest or soils/stability inspection, and to condition the closing of this transaction on the results of such inspection(s), 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 Agent or Selling Licensee.

3. ☐ **BUYER PURCHASES "AS IS"/SELLER'S DISCLAIMER OF WARRANTIES.** Buyer elects to purchase the Property "AS IS." Buyer acknowledges that the decision to purchase "AS IS" was based on Buyer's personal inspection and Buyer has not relied on any representations by Seller, Listing Agent or Selling Licensee. **Seller explicitly disclaims and deletes from the Agreement any warranties and representations relating to the physical condition of the Property set forth elsewhere in the Agreement.**

Initials: BUYER: KA DATE: 4-7-99 SELLER: JR DATE: 4/15/99
BUYER: KH DATE: 4/7/99 SELLER: _____ DATE: _____



POST INSPECTION ADDENDUM
For use with NWMLS Form 35, Option 1A

By initialing in this area, Buyer and Seller agree to follow the format described in this CBB Form 35A in response to NWMLS Form 35. Buyer and Seller also agree that the number of days determined in paragraphs 1.(i) and 2., below, may extend the time period allowed in Option A of NWMLS Form 35.

INITIALS: Buyer [Signature] Buyer [Signature] Seller [Signature] Seller _____

The following is a part of the Purchase and Sale Agreement dated April 7, 1999, between
Everett School District ("Seller") and
Rick and Kim Harst ("Buyer") concerning
501 Woodlawn Ave Everett, WA ("Property").

I. BUYER'S NOTICE / REQUEST FOR MODIFICATION:

- ☐ Buyer's inspection of the Property is approved, and the inspection contingency is waived.
- ☐ Buyer's inspection of the Property is disapproved, and the agreement is terminated. The Earnest Money shall be refunded to Buyer.
- ☐ The Buyer hereby notifies the Seller of Buyer's disapproval of inspection.

1. (i) Buyer's disapproval notification may be waived by Buyer, if Seller, within _____ calendar days (3 calendar days if not filled in) after receipt of Buyer's disapproval, provides Buyer notice that Seller will correct the conditions identified in Buyer's notice. If Seller agrees to correct the condition(s) identified by Buyer, then it shall be accomplished at Seller's expense in a commercially reasonable manner prior to the Closing Date. In the case of hazardous materials, "Correction" may mean removal or treatment of the hazardous material at Seller's expense, as recommended by and under the direction of a licensed hazardous material engineer or other expert selected by Seller.

(ii) In lieu of correction by Seller the parties may mutually agree on any other remedy for the disapproved conditions, including, but not limited to, cash payments from Seller to Buyer at an agreed upon time or adjustment 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 paragraph 1(i), then the Inspection Contingency will be deemed satisfied.

2. If the Seller does not give notice that the Seller will correct the condition(s) identified by Buyer or if the parties have not secured a written agreement on remedies, then Buyer may elect to give notice of termination of this Agreement within _____ calendar days (3 calendar days if not filled in) after expiration of the time limit in paragraph 1.(i). Upon delivery by Buyer of termination notice as provided for in Option A of NWMLS Form 35, this Purchase and Sales Agreement shall then terminate, the earnest money shall then be returned to the Buyer and the parties shall have no further obligations to each other.

INITIALS: BUYER _____ BUYER _____ SELLER [Signature] SELLER _____

II. SELLER'S RESPONSE TO BUYER'S REQUEST FOR MODIFICATION: Seller acknowledges receipt of Buyer's request for modification, and responds as follows:

☐ Seller agrees to complete all repairs requested by Buyer.

☐ Seller agrees to complete only the following repairs:

☐ Seller agrees to the alternative remedies requested by Buyer.

☐ Seller rejects all proposals by Buyer.

☐ Seller rejects all proposals by Buyer but proposes the following alternative modification (e.g., price adjustment):

III. BUYER'S REPLY TO SELLER'S RESPONSE:

☐ Buyer accepts Seller's response, hereby waives the inspection contingency, and agrees to proceed to closing as provided in the Purchase and Sale Agreement.

☐ Buyer rejects Seller's response. Buyer disapproves of the inspection and this Agreement is terminated. The Earnest Money shall be refunded to Buyer.

☐ Buyer rejects Seller's response but does NOT disapprove the inspection at this time. A revised proposal for modification is enclosed on a separate addendum.

NOTE: This contingency is waived unless the parties reach agreement before the deadline or agree to extend the inspection contingency.

Buyer

Date

Seller

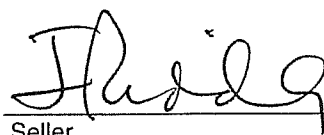
Date

Buyer

Date

Seller

Date

 4/15/99

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards
Addendum to Purchase & Sale Agreements

The Following is part of the Purchase and Sale Agreement dated April 7, 19 99
between Everett School District ("Seller")
and Rick and Kim Horst ("Buyer")
concerning: 5101 Woodlawn Ave Everett, WA (the "Property").

Lead Warning Statement

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.

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check one below):

☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

☐ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the Seller (check one below):

☐ Seller has provided the Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

☐ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Buyer's Acknowledgment (NOTE: In the event of pre-closing possession of more than 100 days by Buyer, the term "Buyer" also means "Tenant")

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

(d) Buyer has received the pamphlet *Protect Your Family from Lead in Your Home*.

(e) Buyer has (check one below):

☐ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

-or-

☒ 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:

Initials: BUYER: [Signature] Date: 4-7-99 SELLER: [Signature] Date: 4/5/99

BUYER: [Signature] Date: 4/7/99 SELLER: [Signature] Date: 4/5/99

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards
Addendum to Purchase & Sale Agreements
(CONTINUED)

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).

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 _____ days (10 days if not filled in) of mutual acceptance of this Agreement. 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.

The Seller may, at the Seller's option, within _____ days (3 days if not filled in) after Seller's receipt of Buyer's 45
disapproval notice, give written notice that Seller will correct the conditions identified by Buyer. If Seller agrees to 46
correct the conditions identified by Buyer, then it shall be accomplished at Seller's expense prior to the closing 47
date, and Seller shall provide Buyer with certification from a risk assessor or inspector demonstrating that the 48
condition(s) has been remedied prior to the closing date. In lieu of correction, the parties may agree on any other 49
remedy for the disapproved condition(s), including but not limited to cash payments from Seller to Buyer or adjust- 50
ments in the purchase price. If such an agreement on non-repair remedies is secured in writing before the expiration 51
of the time period set forth in this subparagraph, then this contingency will be deemed satisfied. 52

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 _____ 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.

Buyer waives the right to receive an amended Real Property Transfer Disclosure Statement pursuant to RCW 61
64.06 based on any conditions identified in inspection and/or risk assessment report(s). 62

Licensees' Acknowledgment



- (f) Licensees' have informed the Seller of the Seller's obligations under 42 U.S.C. 4582(d) and are aware of their responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

Declaration of Accuracy

The following parties have reviewed the information provided by the signatory is true and accurate.

Buyer Date

Seller Thule Date 4/15/99

Buyer Kunkovst Date 4-7-99

Seller _____ Date _____

Selling Licensee _____ Date _____

Frederic M Stone 4/2/98
Listing Agent Date

Addendum "A"

4/9/99 DRAFT**Revisions to the Residential Real Estate Purchase and Sale Agreement**

5101 Woodlawn Avenue, Everett WA.

Page 1, Specific Terms~~Section 8: Change Title Insurance Company to "Baytown Escrow".~~

Section 10: Closing Date to be "Within 15 days following expiration of the 45 day period proscribed in RCW 28A.335.120(3)."

Page 2, General Terms

Section d: Modify the sentence "Title shall be conveyed by a Statutory Warranty Deed." to read: "All interest of Seller in and to the Property shall be conveyed at closing by Statutory Warranty Deed, subject to the matters set forth above, General Exclusions and Exceptions and Special Exceptions set forth in the preliminary commitment and the title policy to be issued, and any additional matters which are the subject of a waiver of objections by Buyer pursuant to term "e" below."

Page 4, General Terms

Section u: Change this to read: "Seller has agreed to pay Listing Agent a commission by separate agreement. If this transaction closes, but not otherwise, one-half of this commission shall be paid by the Listing Agent (through escrow) to Rick Horst, Coldwell Banker Bain, as Selling Licensee. Except as described herein, Buyer has not done anything to create a separate obligation for a commission or finder's fee, and shall indemnify, defend and hold Seller harmless from any claims made and damages suffered by agents or brokers for such a commission or fee, and associated attorney's fees and costs incurred by the Seller in defense or settlement of such claims."

Add new section: "v: Board Action. Seller's obligations under this Agreement are subject to and contingent upon ratification and approval of the terms of this Agreement and the transaction contemplated hereby by the Board of Directors of the Seller, and compliance with applicable law, including without limitation RCW 28A.335.120. Without limiting the generality of the foregoing, the Board of Directors of Seller, prior to ratifying or approving such terms, must publish newspaper notices and hold a public hearing and admit evidence offered for and against the propriety and advisability of the proposed sale."

Page 7, General Addendum/Amendment to Purchase and Sale Agreement

Section 3: Insert "Seller," before "Coldwell Banker"

Section 4: To the end of this section add the sentence "These have no value to the Seller and are left for the convenience of the Buyer." *As stated in section 4 ??*

Page 8, General Addendum/Amendment to Purchase & Agreement

Section 6: Change this to be required as a buyer expense.

Section 9: Delete

Page 9, General Addendum/Amendment to Purchase & Agreement

Section 16: Change item 1 to read:

"Seller agrees to cooperate with Buyer if Buyer desires to effect a tax deferred exchange under I.R.C. § 1031 through a third party facilitator; provided, however, that Seller shall incur no additional costs, expenses, fees or liabilities as a result of or in connection with such tax deferred exchange, shall not be required to advance any funds in connection therewith, and (notwithstanding anything herein to the contrary) shall not be or be deemed required to act in a manner contrary to RCW 28A.335.120 or other applicable law. Buyer does hereby agree to protect, indemnify, defend and hold Seller harmless from any and all loss, costs, damages, claims or liabilities that may arise from Seller's participation in a tax deferred exchange. Buyer acknowledges that Seller makes no representations whatsoever regarding the tax consequences of Buyer's purchase of the property, or of any such tax deferred exchange, and that Seller's agreement to consider such an exchange is made solely as an accommodation to Buyer. Whether or not a tax deferred exchange is utilized, Buyer agrees to be ultimately liable for the purchase price of the subject property, for Seller's damages which may arise from a failure to complete the purchase of the property, and for all obligations under the Purchase and Sale Agreement which by their terms or the nature of the obligation survive termination of the Purchase and Sale Agreement or the closing of the transaction contemplated thereby. Seller's agreement does not extend to execution of any documents not approved in advance by Seller, and Buyer shall reimburse Seller for any costs or expenses, including without limitation legal fees, which Seller may incur in the course of review, approval or preparation of such documents."

Page 11, Investigation and Feasibility Addendum/Amendment to Purchase and Sale Agreement

- a. In the last paragraph (above "Other") modify the phrase "Seller shall provide to Buyer any materials or paperwork..." to read "Seller shall provide Buyer access and allow Buyer to copy any materials or paperwork (other than appraisals or legally privileged documents)..."
- b. Add the following sentence (under "Other") "If this transaction fails to close for any reason Buyer shall provide Seller access and allow Seller to copy any documents and information developed by the Buyer with respect to the Property."

Page 12a, Inspection Addendum to Purchase and Sale Agreement

Section 3: Check this box, and add the following to beginning of the first sentence in this paragraph: "Upon completion of the process described in option 1B above..."

[Handwritten signature]
4-12-99
[Handwritten initials]