

RESOLUTION NO. 1757

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST PARK, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE THE MEMORANDUM OF AGREEMENT FOR THE ACQUISITION OF PROPERTY WITH FORTERRA NW FOR THE PURCHASE OF PROPERTY FOR PARK PURPOSES

WHEREAS, the City of Lake Forest Park values public parks and their role in promoting community vitality and health; and

WHEREAS, the City has identified for acquisition certain real property located at 17345 and 17347 Beach Drive Northeast in Lake Forest Park (the "Property"); and

WHEREAS, the Property possesses important open space, scenic, recreational and community values, including, without limitation, the potential for public waterfront access to Lake Washington; and

WHEREAS, the Property is available for sale through bankruptcy proceedings of the current landowner, however, the City does not have funding available to complete the transaction on the expedited timeline required by the bankruptcy proceedings; and

WHEREAS, Forterra NW, a Washington nonprofit corporation ("Forterra") has agreed to enter into a Memorandum of Agreement for Acquisition of Property ("MOA") with the City, whereby Forterra would purchase the Property on the necessary expedited timeline and allow the City to purchase the Property from Forterra under the terms in the MOA; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Lake Forest Park, as follows:

Section 1. MAYOR AUTHORIZED. The Mayor is authorized to execute the Memorandum of Agreement for Acquisition of Property with Forterra attached as Exhibit A.

Section 2. CORRECTIONS. The City Clerk is authorized to make necessary corrections to this resolution including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

PASSED BY A MAJORITY VOTE of the members of the Lake Forest Park City Council this 12th day of December, 2019.

APPROVED:



Jeff Johnson
Mayor

ATTEST/AUTHENTICATED:



Evelyn Jahed
City Clerk

FILED WITH THE CITY CLERK: December 12, 2019
PASSED BY THE CITY COUNCIL: December 12, 2019
RESOLUTION NO.: 1757

EXHIBIT A to Resolution 1757

Memorandum of Agreement for Acquisition of Property

This Memorandum of Agreement for Acquisition of Property ("MOA") is entered into by the City of Lake Forest Park, a municipal corporation and political subdivision of the State of Washington (the "City") and Forterra NW, a Washington nonprofit corporation ("Forterra") as of the first date on which both Parties have signed this MOA (the "Effective Date"). The City and Forterra are hereafter referred to individually as "Party" and collectively as the "Parties."

WHEREAS, the City has identified for acquisition certain real property located at 17345 and 17347 Beach Dr. NE in Lake Forest Park, King County, Washington (the "Property"); and

WHEREAS, the Property possesses important open space, scenic, recreational and community values, including, without limitation, the potential for public waterfront access to Lake Washington from the Burke-Gilman Trail ("Conservation Values") that are of great importance to the people of the City, King County (the "County") and the region; and

WHEREAS, the Property is available for sale through bankruptcy proceedings of the current landowner, however, the City does not have funding available to complete the transaction on the expedited timeline required by the bankruptcy proceedings; and

WHEREAS, the City, together with the support of the County, urgently requested Forterra to proceed quickly with acquisition of the Property on the understanding that the City would exercise best efforts to secure funding from the County and other sources to purchase the Property from Forterra and to obtain City Council approval for the purchase of the Property with such funds; and

WHEREAS, due to the significant Conservation Values associated with the Property, the exceedingly short time constraints of the bankruptcy proceedings, and in reliance upon the City's commitment to secure funding and pay costs as further detailed in this MOA, Forterra is prepared to proceed with acquisition of the Property based on the terms set forth below.

NOW THEREFORE, intending to be legally bound, for good and valuable consideration, including the mutual promises of the Parties made herein, the Parties agree as follows:

1) Forterra Property Acquisition. At the urgent request of the City and County, Forterra has entered into a purchase and sale agreement to acquire the Property through the bankruptcy proceedings of the current landowner, and will seek to acquire the Property within thirty (30) days after the bankruptcy court's order approving sale of the Property becomes a final order no longer subject to appeal (the "Forterra Purchase Agreement"). The Forterra Purchase Agreement is attached and incorporated as **Exhibit A**. The agreed purchase price for the Property is Five Million and No/100ths U.S. Dollars (\$5,000,000.00) (the "Forterra Purchase Price"). Forterra anticipates completing the acquisition of the Property, subject to the terms and conditions of the Forterra Purchase Agreement, in early 2020.

a. Forterra agrees to consult and obtain consensus from the City regarding satisfaction of the Phase I Environmental Assessment of the Property referenced in the Forterra Purchase

Agreement, Form 34, Section 1.d as well as the investigation of items disclosed by Seller in the Seller Disclosure Statement for Improved Property.

2) City Funding and Property Acquisition. If Forterra acquires the Property, then on or before December 31, 2021, the City anticipates purchasing the Property from Forterra at the Forterra Purchase Price through the use of up to Two Million Five Hundred Thousand and No/100ths U.S. Dollars (\$2,500,000.00) of available County funds, together with additional funding from the County, State, or other available funding sources, which the City will use best efforts to diligently and immediately pursue.

a. If the City has not purchased the Property under the terms of this MOA by December 31, 2021, the Parties shall negotiate in good faith a possible extension of the December 31, 2021 deadline. Whether an extension is mutually agreed upon will be based on terms of Forterra's financing for the Property, the amount of funds the City has secured for the purchase, and the City's anticipated timing of receipt of the remainder of the funds necessary to close the sale.

3) City Council Authorization. Upon securing sufficient funds, the City will request approval from its City Council to expend such funds to acquire the Property from Forterra, at which time the City and Forterra will enter into an agreement for purchase of the Property by the City (the "City Purchase Agreement") at the Forterra Purchase Price. In the event the City is, for any reason, unable to acquire the Property from Forterra as contemplated in this MOA, the City understands and agrees that, given Forterra's commitment of financial resources, Forterra will be free to pursue any divestment or use of the Property deemed necessary by Forterra in its sole and absolute discretion.

4) Payments. It is understood by the Parties that Forterra may be unable to purchase the Property (for example, due to failure of the bankruptcy court to approve the sale, funding issues, or a default by the seller) or may elect not to purchase the Property (for example, due to title problems or issues identified in the environmental site assessment). It is further understood by the Parties that the City's acquisition of the Property is contingent upon receipt of sufficient funds and approval by its City Council to expend such funds for the acquisition of the Property. Given the need to act with immediacy despite the inherent risks and uncertainties of the purchase and sale transactions contemplated by this MOA, the City agrees to pay to Forterra:

a. If the Property is not purchased by Forterra, the following amounts within thirty (30) days after receipt of Forterra's invoice and any supporting documentation:

(i) Due Diligence Costs. All third party costs incurred by Forterra as part of its due diligence review incident to its proposed purchase of the Property, including, without limitation, environmental site assessment, bankruptcy counsel and other legal fees, and title commitment fees.

(ii) Staff Costs. All costs incurred by Forterra in staff time working on matters related to the Property, including, without limitation, acquisition, financing, management and disposition of the Property, and providing assistance to the City regarding same, based on

hours actually spent and rates normally charged by Forterra to other governmental entities for similar work. The rates normally charged by Forterra are listed in the attached and incorporated **Exhibit B**. The Parties agree that the amount sought by Forterra for reimbursement of staff costs shall not exceed Fifty Thousand and No/100ths U.S. Dollars (\$50,000.00) without prior written authorization from the City.

(iii) Forfeited Earnest Money. Any earnest money that Forterra is required to forfeit pursuant to the Forterra Purchase Agreement. The total Earnest Money in the Forterra Purchase Agreement is One Hundred Thousand and No/100ths U.S. Dollars (\$100,000.00).

b. If the Property is purchased by Forterra **and is** thereafter purchased by the City on or before December 31, 2021, or as mutually extended under Section 2(a), in addition to the Forterra Purchase price for the Property, the following amounts, determined as of, and payable on, the date on which Forterra conveys the Property to the City:

(i) Acquisition/Disposition Costs. All third party costs paid or payable by Forterra related to Forterra's acquisition and disposition of the Property, including, without limitation, Due Diligence Costs (as set forth in Section 4(a)(i) above), Staff Costs (as set forth in Section 4(a)(ii) above), escrow and recording fees, sales taxes, excise taxes, and title insurance premiums.

(ii) Financing Costs. All costs paid or accrued by Forterra related to any loan from a third party for purposes of acquiring the Property, consisting of actual loan fees and actual interest accrued at an adjustable rate not to exceed WSJ Prime Rate plus 0.25% per year, compounded monthly, on the funds provided by the third party to Forterra for acquisition of the Property. The City acknowledges that Forterra intends to borrow the full amount of the Forterra Purchase Price and may also elect to borrow some or all of the Holding Costs referenced in Section 4(b)(iii) below.

(iii) Holding Costs. All costs paid or accrued by Forterra incidental to ownership and management of the Property following acquisition, including, without limitation, insurance, maintenance, property taxes, and any other governmental fees incurred and paid during Forterra's ownership of the Property.

(iv) Conservation Fee. A fee in the amount of Three Hundred Thousand and No/100ths U.S. Dollars (\$300,000.00) to compensate Forterra for opportunity and other risks inherent in acting to expedite the purchase of the Property in furtherance of the Conservation Values on behalf of the City. Provided, however, that if the City pays to Forterra, on or before the date on which Forterra acquires the Property pursuant to the Forterra Purchase Agreement, an amount of Fifty Thousand and No/100ths U.S. Dollars (\$50,000.00), which amount will be credited to the City and applied to the City's payment of any Acquisition/Disposition Costs, Financing Costs, or Holding Costs otherwise payable by the City pursuant to Section 4(b) of this MOA, then the Conservation Fee will be reduced to Two Hundred Fifty Thousand and No/100ths U.S. Dollars (\$250,000.00).

c. If the Property is purchased by Forterra **and is not** purchased by the City for any reason on or before December 31, 2021, or as mutually extended under Section 2(a), the following amounts, determined as of, and payable on, the date on which Forterra conveys the Property to a third party:

(i) All Acquisition/Disposition Costs (as set forth in Section 4(b)(i) above), Financing Costs (as set forth in Section 4(b)(ii) above), and Holding Costs (as set forth in Section 4(b)(iii) above).

(ii) Sale Shortfall. An amount, if any, equal to the amount that the purchase price for sale of the Property by Forterra to a third party is less than the Forterra Purchase Price and is supported by a fair market value appraisal from an MAI appraiser.

The provisions of this Section 4 shall survive the termination of this MOA.

5) Lease to City. In the event Forterra acquires the Property as contemplated in this MOA, the Parties agree that Forterra will lease the Property to the City beginning on the date Forterra acquires the Property (subject to any rights of the current Property owner or any existing tenant(s) to remain in possession for a period of time) until the earlier of such time as Forterra sells the Property to the City or the City's rights are terminated under terms of this MOA. The terms of such lease are subject to further negotiation between the City and Forterra and will include the following provisions:

a. a requirement that the City assume responsibility for all management and maintenance of the Property, and all costs related to such responsibilities;

b. a provision that the City will benefit from all income received from the Property during the lease term and this income will have no effect on Section 4;

c. the monthly lease payment to Forterra will be One Dollar and No/100ths U.S. Dollars (\$1.00) annually, or more at the option of the City; and

d. all costs paid by the City pursuant to the lease will not be included for purposes of Section 4 of this MOA and any rent paid by the City to Forterra will be deducted from amounts payable by the City under Section 4 of this MOA.

6) Term and Amendment. If acquisition of the Property by Forterra is not completed on or before June 1, 2020, this MOA will automatically terminate. If Forterra acquires the Property on or before that date, this MOA will remain in full force and effect until the earlier of (i) conveyance of the Property to the City or a third party or (ii) December 31, 2023. Any amendment to this MOA must be in writing and mutually agreed by the Parties.

7) Limitations on Sale. Except in the event of breach of this MOA by the City, Forterra may not sell the Property to any third party prior to December 31, 2021, or as this deadline is mutually extended by the parties pursuant to Section 2(a), without prior written consent of the City.

8) Authority. Each party to this MOA, and each individual signing on behalf of each Party, hereby represents and warrants to the other that it has full power and authority to enter into this MOA and that its execution, delivery, and performance of this MOA has been fully authorized and approved, and that no further approvals or consents are required to bind such party.

[Remainder of page intentionally blank.]

IN WITNESS WHEREOF, the Parties have executed and delivered this MOA as of the Effective Date.

City:

City of Lake Forest Park,
a municipal corporation and political subdivision of
the State of Washington

By:  _____

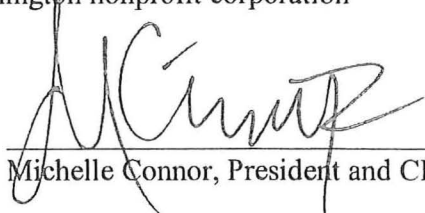
Name: Jeff Johnson

Title: Mayor

Date: 12/12/2019

Forterra:

FORTERRA NW,
a Washington nonprofit corporation

By:  _____
Michelle Connor, President and CEO

Date: 12/11/2019

**Exhibit A to
Memorandum of Agreement for Acquisition of Property
Forterra Purchase Agreement**

EXHIBIT A

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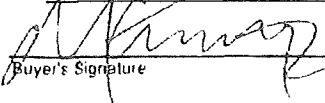
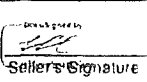
Form 21
Residential Purchase & Sale Agreement
Rev 7/19
Page 1 of 5

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RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

1. Date: November 26, 2019 MLS No.: 1483975 & 1483176 Offer Expiration Date: 12/04/2019
2. Buyer: Forterra NW, a Washington nonprofit corporation
Buyer Buyer Status
3. Seller: Bankr. Estate of Tod Charles Turner (No.19-10333, US Bankr Ct. WD WA)
Seller Seller
4. Property: Legal Description attached as Exhibit A. Tax Parcel No(s): 4030100035 4030100040
17345 & 17347 Beach Dr NE Lake Forest Park King WA 98155
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 Any appliances left on the premises after Seller possession date
6. Purchase Price: \$ 5,000,000.00 Five Million Dollars
7. Earnest Money: \$ 100,000.00 Check; Note; Other Wire transfer (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 Insurance Co. Commitment #4209-3340848
10. Closing Agent: Chicago Title & Escrow Mariana Dzyuhak (Bellevue)
Company Individual (optional)
11. Closing Date: See Addendum Item 3 Possession Date: on Closing; Other See Addendum Item 2
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: 22D(Optional Clauses) 22J(Lead Disclosure) 34(Addendum)

Exhibit A (Legal Description); 65B (Seller Occupancy After Closing)

 Buyer's Signature	<u>11/26/19</u> Date	 Seller's Signature	<u>11/27/2019</u> Date
Buyer's Signature	Date	Seller's Signature	Date
<u>901 5th Avenue, Suite 2200</u> Buyer's Address		<u>17345 Beach Dr NE</u> Seller's Address	
<u>Seattle, WA 98164</u> City State Zip		<u>Lake Forest Park, WA 98155</u> City State Zip	<u>206.799.1972</u>
Phone No.	Fax No.	Phone No.	Fax No.
<u>dcrowley@forterra.org; legal@forterra.org</u> Buyer's E-mail Address		<u>tod.turner@interceptmusic.com</u> Seller's E-mail Address	
<u>n/a</u> Selling Firm	MLS Office No.	<u>Windermere Real Estate/Northeast, Inc</u> Listing Firm	<u>5582</u> MLS Office No.
<u>n/a</u> Selling Broker (Print)	MLS LAG No.	<u>Bryan R. Loveless</u> Listing Broker (Print)	<u>6751</u> MLS LAG No.
Firm Phone No.	Broker Phone No.	Firm Phone No.	Broker Phone No.
	Firm Fax No.		Firm Fax No.
Selling Firm Document E-mail Address		<u>kirklandtransaction@windermere.com</u> Listing Firm Document E-mail Address	
Selling Broker's E-mail Address		<u>BryanLoveless@Windermere.com</u> Listing Broker's E-mail Address	
Selling Broker DOL License No.		<u>19983</u>	
Selling Firm DOL License No.		<u>3501</u>	
		Listing Firm DOL License No.	

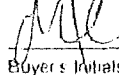

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

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

	11/27/19				11/27/2019		
Buyer's Initials	Date	Buyer's Initials	Date	Seller's Initials	Date	Seller's Initials	Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

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.

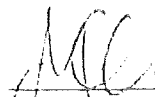
f Closing and Possession. This sale shall be closed by the Closing Agent on the Closing Date. If the Closing Date falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, the Closing Agent shall close the transaction on the next day that 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.


Buyer's Initials Date

Buyer's Initials Date


 11/27/2019
Seller's Initials Date

Seller's Initials Date


RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- 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. 173-176
- 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 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 1976, 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


Buyer's Initials Date

Buyer's Initials Date

 11/27/2019
Seller's Initials Date

Seller's Initials Date

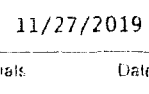
OPTIONAL CLAUSES ADDENDUM TO
PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated November 26, 2019 1
between Forterra NW, a Washington nonprofit corporation ("Buyer") 2
Buyer Buyer
and Bankr. Estate of Tod Charles Turner (No.19-10333, US Bankr Ct. WD WA) ("Seller") 3
Seller Seller
concerning 17345 & 17347 Beach Drive NE Lake Forest Park WA 98155 (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. 6-9
- 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
 - public water main; public sewer main; septic tank; well (specify type) _____; 28-29
 - 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: _____ 35
 - 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



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.

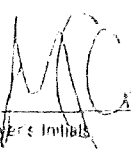
If Buyer, in Buyer's sole discretion, does not give notice of disapproval within _____ days (5 days if not filled in) of receipt of the above documents or the date that the above documents are due, whichever is earlier, then this homeowners' association review period shall conclusively be deemed satisfied (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: _____
 - b. Seller shall pay up to \$_____ (\$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: _____ (none, if not filled in).
 - d. Other: _____

- 12. **Other.**

 _____ 11/27/19
 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 November 26, 2019 1
between Forterra NW. a Washington nonprofit corporation ("Buyer" and/or "Lessee") 2
Buyer and/or Lessee Buyer and/or Lessee
and Bankr. Estate of Tod Charles Turner (No.19-10333, US Bankr Ct. WD W) ("Seller" and/or "Lessor") 3
Seller and/or Lessor Seller and/or Lessor
concerning 17345 & 17347 Beach Drive NE Lake Forest Park WA 98155 (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 6
1978 is notified that such property may present exposure to lead from lead-based paint that may place young 7
children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent 8
neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and 9
impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in 10
residential real property is required to provide the buyer with any information on lead-based paint hazards from 11
risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint 12
hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to 13
purchase. 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 16
hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant 17
women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and 18
lead-based paint hazards in the dwelling. Tenants must also receive a Federally approved pamphlet on lead 19
poisoning prevention. 20


Cancellation Rights 21
If a residential dwelling was built on the Property prior to 1978, Buyer may rescind the Agreement at any time 22
up to 3 days after Buyer receives this Disclosure, unless Buyer receives this disclosure prior to entering 23
the Agreement. 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- 31
based paint and/or lead-based paint hazards in the housing (list documents below) 32
 - Seller/Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards 33
in the housing. 34

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

Disclosed by
 11/27/2019 39

Seller/Lessor Date
Buyer/Lessee Initials Date Buyer/Lessee Initials Date
 11/27/2019

Seller/Lessor 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 44-45

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). 48-51

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 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. 52-56

The Seller may, at the Seller's option, within _____ 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. 57-65

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. 66-74

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). 75-77

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

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

Selling Broker Date _____
Listing Broker Date 11/27/2019 84

Buyer/Lessee Initials Date _____

SELLER/Lessor Initials Date 11/27/2019

SELLER/Lessor Initials Date _____

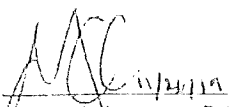
ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

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between Forterra NW, a Washington non profit corporation ("Buyer") 2
Buyer Buyer
and Bankr. Estate of Tod Charles Turner (No.19-10333, US Bankr Ct. WD WA) ("Seller") 3
Seller Seller
concerning 17345 & 17347 Beach Drive NE Lake Forest Park WA 98155 (the "Property") 4
Address City State Zip

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS 5

- 1. APPROVALS AND CONDITIONS. Buyer and Seller acknowledge that this Agreement is subject to the following, any one of which, if not obtained or satisfied prior to Closing, shall cause this Agreement to terminate and the Earnest Money to be returned to Buyer: 6
 - a. Entry of an order by the bankruptcy court in Seller's bankruptcy case (Case No. 19-10033, US Bankruptcy Court for the Western District of Washington) that is final and no longer subject to appeal, in a form acceptable to Buyer, in its sole discretion. The order shall provide, among other things, that the sale of the Property is free and clear of all liens, claims and interests, and that Buyer is a good faith purchaser entitled to the protections under Bankruptcy Code section 363(m). 7-14
 - b. First American Title Insurance Company's commitment to issue at Closing a 2006 ALTA Owner's Standard Coverage Policy in the amount of the Purchase Price deleting Exception Nos. 9 through 35 of Schedule B, Part II of Commitment No. 4209-3340848 dated October 14, 2019. Any intervening exceptions are subject to Buyer's approval. 15-18
 - c. Pursuant to Addendum Item 2 of existing Purchase and Sale Agreement, dated October 12, 2019 ("LFP Group Agreement") between Seller and Lake Forest Park Group LLC ("LFP Group"). LFP Group's right to meet or beat the price and terms of this offer within two (2) business days of receipt. In the event LFP Group matches the offer, Buyer shall have two (2) business days to meet or beat said LFP Group's price and terms or this Agreement shall terminate and Seller shall be free to accept LFP Group's amended offer. In the event LFP Group declines to match the offer, Seller shall promptly provide Buyer with satisfactory evidence of termination of the LFP Group Agreement. 19-25
 - d. Issuance of a Phase I Environmental Site Assessment of the Property satisfactory to Buyer, in its sole discretion, and at Buyer's expense. 26-28
- (Addendum/Amendment continued on next page) 29-30

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged


11/26/19
Buyer's Initials
Date
Buyer's Initials
Date
or
11/27/2019
Seller's Initials
Date
Seller's Initials
Date

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

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Address City State Zip



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

(Addendum/Amendment continued from prior page) 6

2. POSSESSION. Seller may occupy the Property through January 31, 2020 at no rental charge to Seller in the event the Closing occurs prior to January 31, 2020. In such event, Buyer and Seller agree to sign a NWMLS Form 65B (Seller Occupancy After Closing) prior to Closing. Otherwise Possession shall be delivered upon Closing. 7-10

3. CLOSING DATE. The Closing Date shall be on or before thirty (30) days after the bankruptcy court's order approving the sale becomes a final order no longer subject to appeal. 11-13

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged

 Buyer's Initials _____ Date _____ Buyer's Initials _____ Date _____ Seller's Initials _____ Date _____ Seller's Initials _____ Date _____

EXHIBIT 'A'
LEGAL DESCRIPTION

For Property Commonly Known As:
17345 & 17347 Beach Drive NE Lake Forest Park, WA 98155
(King County Tax Parcel #403010-0035 & 403010-0040)

ALL THAT REAL PROPERTY SITUATE IN THE CITY OF LAKE FOREST PARK, COUNTY OF KING, STATE OF WASHINGTON, AND DESCRIBED AS FOLLOWS:

PARCEL A (403010-0035-03):

THE NORTH 59.45 FEET OF THE SOUTH 239.45 FEET OF LOT 1, BLOCK 2, AS MEASURED ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK 2, LAKE FOREST WATERFRONT ADDITION, ACCORDING TO THE PLAT RECORDED IN VOLUME 22 OF PLATS, PAGE 39, IN KING COUNTY, WASHINGTON.


TOGETHER WITH THAT PORTION OF THE SECOND CLASS SHORELANDS AS SHOWN IN SAID PLAT, ADJACENT THEREOF.

PARCEL B (403010-0040-06):

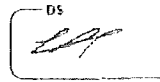
THE NORTHEASTERLY 80 FEET OF THE SOUTHWESTERLY 180 FEET OF LOT 1, MEASURED ALONG THE SOUTHEASTERLY LINE OF BEACH DRIVE, BLOCK 2, LAKE FOREST WATERFRONT ADDITION, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 22 OF PLATS, PAGE 39, IN KING COUNTY, WASHINGTON.

TOGETHER WITH SECOND CLASS SHORELANDS ADJOINING.

INITIALS:


Buyer

12/3/19
Date


Seller

11/27/2019
Date

RENTAL AGREEMENT
Seller Occupancy After Closing

Date: November 26, 2019 1

Tenant(s) Tod Charles Turner 2
Seller/Tenant Seller/Tenant

agree(s) to rent from Landlord Forterra NW 3
Buyer/Landlord Buyer/Landlord

the property commonly known as 17345 Beach Drive Lake Forest Park 4
Address City

WA 98155 King (the "Property") on the following terms and conditions: 5
State Zip County

1. **RENT.** The rent shall be \$ 0.00 per day. Landlord acknowledges receipt of rent in the amount of 6
\$ 0.00 for the period of N/A. Future rent shall be payable as follows: 7
N/A. Rent shall be payable to N/A 8
at N/A. 9

2. **POSSESSION.** Tenant is entitled to possession on the closing of the sale. If the sale does not close, then this 10
Agreement is void. 11

3. **TERM.** This Agreement shall terminate on 01/31/20. Upon termination, any advance rent shall be 12
pro-rated on a daily basis, and the unused portion refunded to Tenant immediately upon Tenant's vacating the 13
Property. If Tenant holds over without the written consent of Landlord, Tenant shall be liable for rent and all other 14
damages sustained by Landlord because of such holdover. 15

4. **INSURANCE.** Landlord agrees to insure the Property against fire and other normal casualties. All proceeds of any 16
such policy shall be payable to Landlord alone. Landlord shall have no responsibility for insuring anything in or on 17
the Property which belongs to Tenant. Tenant is advised that renter's insurance is available to Tenant for 18
coverage related to liability for bodily injury, property damage, and for the theft, loss, or damage to Tenant's 19
personal property. 20

5. **UTILITIES.** Tenant agrees to pay for all utilities, including garbage collection charges, during the term of the 21
Agreement. 22

6. **IMPROVEMENTS.** Tenant shall not be entitled to make any improvements or alterations to the Property, including 23
painting, during the term of this Agreement, without the written permission of Landlord. Tenant will return the 24
Property to Landlord in as good a condition as it presently is, ordinary wear and tear excepted. 25

7. **SUBLETTING OR ASSIGNMENT.** Tenant may not sublet the Property and may not assign Tenant's rights under 26
this Agreement. 27

8. **CITY OF SEATTLE RENTAL REGULATION ORDINANCE.** If the Property is located within the City of Seattle, 28
then a copy of a summary of city and state landlord/tenant laws is attached. Tenant hereby acknowledges receipt 29
of a copy of the summary. 30

9. **RELEASE OF REAL ESTATE FIRMS.** Landlord and Tenant release all real estate firms and brokers involved 31
with this Agreement between Landlord and Tenant and agree to indemnify all real estate firms and brokers from 32
any and all claims arising under this Agreement. 33

10. **ATTORNEYS' FEES.** In the event either party employs an attorney to enforce any terms of this Agreement and is 34
successful, the other party agrees to pay reasonable attorneys' fees. In the event of a trial, the amount of fees 35
shall be as fixed by the Court. 36

TC 12/3/19 TC 11/27/2019
Landlord's Initials Date Landlord's Initials Date Tenant's Initials Date Tenant's Initials Date

RENTAL AGREEMENT
Seller Occupancy After Closing
(Continued)

11. **SMOKE DETECTOR.** Tenant acknowledges and Landlord certifies that the Property is equipped with a smoke detector(s) as required by RCW 43.44.110 and that the detector(s) has/have been tested and is/are operable. It is Tenant's responsibility to maintain the smoke detector(s) as specified by the manufacturer, including replacement of batteries, if required. In addition, if the Property is a multi-family building (more than one unit), Landlord makes the following disclosures

(a) The smoke detection device is hard-wired battery operated.

(b) The Building does does not have a fire sprinkler system

(c) The Building does does not have a fire alarm system.

(d) The building has a smoking policy, as follows:

The building does not have a smoking policy.

(e) The building has an emergency notification plan for occupants, a copy of which is attached to this Agreement.

The building does not have an emergency notification plan for occupants.

(f) The building has an emergency relocation plan for occupants, a copy of which is attached to this Agreement.

The building does not have an emergency relocation plan for occupants.

(g) The building has an emergency evacuation plan for occupants, a copy of which is attached to this Agreement.

The building does not have an emergency evacuation plan for occupants.


Tenant hereby acknowledges receipt of a copy of the building's emergency evacuation routes.

12. **CARBON MONOXIDE ALARMS.** Landlord shall equip the Property with carbon monoxide alarm(s) in accordance with the state building code as required by RCW 19.27.530. The parties acknowledge that the real estate firms and brokers are not responsible for ensuring that Landlord complies with RCW 19.27.530.

13. **LEAD-BASED PAINT.** If the Property includes housing that was built before 1978, then the Addendum entitled "Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards" (NWMLS Form 22J or equivalent), must be attached to this Agreement unless this lease/rental transaction is exempt from all applicable federal regulations.

14. **MOLD DISCLOSURE.** Tenant acknowledges receipt of the pamphlet entitled "A Brief Guide to Mold, Moisture, and Your Home."

15. **OTHER.**



Date 12/3/19

Landlord

Date

DocuSigned by


Date 11/27/2019

Tenant

Date

Landlord

Date

Tenant

Date

Form 17
Seller Disclosure Statement
Rev. 7/15
Page 1 of 6

**SELLER DISCLOSURE STATEMENT
IMPROVED PROPERTY**

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SELLER: Tod C Turner

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 64.08 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 17345/17347 Beach Drive NE, CITY Lake Forest Park

STATE WA, ZIP 98148, COUNTY KING ('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 REVOKE THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF REVISION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO REVOKE 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 | NA |
|--|-------------------------------------|-------------------------------------|--------------------------|--------------------------|
| 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"/> |
| *B. Is title to the property subject to any of the following? | | | | |
| (1) First right of refusal | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (2) Option | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (3) Lease or rental agreement | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (4) Life estate? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| *C. Are there any encroachments, boundary agreements, or boundary disputes? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| *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"/> |
| *E. Are there any rights-of-way, easements, or access limitations that may affect the Buyer's use of the property? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| *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"/> |
| *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"/> |
| *H. Are there any pending or existing assessments against the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

SELLER'S INITIALS TC Date 09/08/2016

BUYER'S INITIALS [Signature] Date 12/8/19

Form 17
Seller Disclosure Statement
Rev. 7/16
Page 2 of 4

**SELLER DISCLOSURE STATEMENT
IMPROVED PROPERTY**
(Continued)

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	YES	NO	DON'T KNOW	NA	62
*I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that would affect future construction or remodeling?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	63
*J. Is there a boundary survey for the property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	64
*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"/>	65
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. ROW 49.60.224.					66
					67
					68
					69
					60
					61
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 checked="" type="checkbox"/> Private well serving only the subject property <input type="checkbox"/> Other water system					65
*If shared, are there any written agreements?					66
*If shared, are there any written agreements?					67
*If shared, are there any written agreements?					68
*If shared, are there any written agreements?					69
*If shared, are there any written agreements?					70
*If shared, are there any written agreements?					71
*If shared, are there any written agreements?					72
*If shared, are there any written agreements?					73
*If shared, are there any written agreements?					74
*If shared, are there any written agreements?					75
*If shared, are there any written agreements?					76
*If shared, are there any written agreements?					77
*If shared, are there any written agreements?					78
B. Irrigation Water					79
(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim?					80
*If yes, has all or any portion of the water right not been used for five or more successive years?					81
*If yes, has all or any portion of the water right not been used for five or more successive years?					82
*If yes, has all or any portion of the water right not been used for five or more successive years?					83
*If yes, has all or any portion of the water right not been used for five or more successive years?					84
*If yes, has all or any portion of the water right not been used for five or more successive years?					85
*If yes, has all or any portion of the water right not been used for five or more successive years?					86
*If yes, has all or any portion of the water right not been used for five or more successive years?					87
*If yes, has all or any portion of the water right not been used for five or more successive years?					88
C. Outdoor Sprinkler System					89
(1) Is there an outdoor sprinkler system for the property?					90
*If yes, are there any defects in the system?					91
*If yes, are there any defects in the system?					92
*If yes, are there any defects in the system?					93
3. SEWER/ON-SITE SEWAGE SYSTEM					94
A. The property is served by:					95
<input checked="" type="checkbox"/> Public sewer system <input type="checkbox"/> On-site sewage system (including pipes, tanks, drainfields, and all other component parts)					96
<input type="checkbox"/> Other disposal system					97
Please describe: _____					98

SELLER'S INITIALS Date 09/08/2016

SELLER'S INITIALS Date 12/3/19
Bruce

Form 17
Seller Disclosure Statement
Rev. 7/10
Page 3 of 6

**SELLER DISCLOSURE STATEMENT
IMPROVED PROPERTY**

(Continued)

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- | | YES | NO | DON'T
KNOW | N/A | 80 |
|--|-------------------------------------|-------------------------------------|--------------------------|-------------------------------------|-----|
| B. If public sewer system service is available to the property, is the house connected to the sewer main? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 80 |
| If no, please explain: | | | | | 100 |
| *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 |
| 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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 106 |
| (2) When was it last pumped? | | | | | 107 |
| *(3) Are there any defects in the operation of the on-site sewage system? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 108 |
| (4) When was it last inspected? | | | | <input checked="" type="checkbox"/> | 109 |
| By whom: | | | | | 110 |
| (5) For how many bedrooms was the on-site sewage system approved? _____ bedrooms | | | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 111 |
| E. Are all plumbing fixtures, including laundry drain, connected to the sewer/on-site sewage system? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 112 |
| If no, please explain: | | | | | 114 |
| *F. Have there been any changes or repairs to the on-site sewage system? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 116 |
| G. Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 118 |
| If no, please explain: | | | | | 118 |
| *H. Does the on-site sewage system require monitoring and maintenance services more frequently than once a year? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 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).

4. STRUCTURAL

- | | | | | | |
|---|--|--|--------------------------|-------------------------------------|-----|
| *A. Has the roof leaked within the last 5 years? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 124 |
| *B. Has the basement flooded or leaked? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 126 |
| *C. Have there been any conversions, additions or remodeling? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 127 |
| *(1) If yes, were all building permits obtained? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 128 |
| *(2) If yes, were all final inspections obtained? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 128 |
| D. Do you know the age of the house? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 130 |
| If yes, year of original construction: <u>1927 I believe</u> | | | | | 131 |
| *E. Has there been any settling, slippage, or sliding of the property or its improvements? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 132 |
| *F. Are there any defects with the following: (if yes, please check applicable items and explain) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 134 |
| <input type="checkbox"/> Foundations | <input type="checkbox"/> Decks | <input type="checkbox"/> Exterior Walls | | | 134 |
| <input checked="" type="checkbox"/> Chimneys | <input checked="" type="checkbox"/> Interior Walls | <input type="checkbox"/> Fire Alarms | | | 134 |
| <input type="checkbox"/> Doors | <input type="checkbox"/> Windows | <input type="checkbox"/> Pails | | | 136 |
| <input type="checkbox"/> Ceilings | <input type="checkbox"/> Slab Floors | <input type="checkbox"/> Driveways | | | 136 |
| <input type="checkbox"/> Pools | <input type="checkbox"/> Hot Tub | <input type="checkbox"/> Sauna | | | 137 |
| <input type="checkbox"/> Sidewalks | <input type="checkbox"/> Outbuildings | <input type="checkbox"/> Fireplaces | | | 138 |
| <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 | | | 140 |
| <input type="checkbox"/> Stairway Chair Lifts | <input type="checkbox"/> Wheelchair Lifts | <input type="checkbox"/> Other _____ | | | 141 |
| *G. Was a structural pest or "whole house" inspection done? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 142 |
| If yes, when and by whom was the inspection completed? | | | | | 143 |
| <u>Cascade pest control several years ago. They come quarterly to spray for spiders</u> | | | | | 144 |
| 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"/> | 146 |
| I. Is the attic insulated? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 146 |
| J. Is the basement insulated? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 147 |

SELLER'S INITIALS Date 09/08/2016

SELLER'S INITIALS Date 12/3/19

**SELLER DISCLOSURE STATEMENT
IMPROVED PROPERTY**

(Continued)

	YES	NO	DON'T KNOW	N/A	202
*G. Is there any soil or groundwater contamination?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	204
*H. Are there transmission poles or other electrical utility equipment installed, maintained, or buried on the property that do not provide utility services to the structures on the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	205
*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"/>	207
*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"/>	208
*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"/>	209
B. LEAD BASED PAINT (Applicable if the house was built before 1978)					210
A. Presence of lead-based paint and/or lead-based paint hazards (check one below):					211
<input type="checkbox"/> Known lead-based paint and/or lead-based paint hazards are present in the housing (explain)					212
<input checked="" type="checkbox"/> Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.					214
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
D. MANUFACTURED AND MOBILE HOMES					220
If the property includes a manufactured or mobile home,					221
*A. Did you make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	222
If yes, please describe the alterations:					223
*B. Did any previous owner make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	224
*C. If alterations were made, were permits or variances for those alterations obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	225
10. FULL DISCLOSURE BY SELLER					226
A. Other conditions or defects:					227
*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"/>	228
B. Verification					230
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 licensee harmless from and against any and all claims that the above information is inaccurate. Seller authorizes real estate licensee, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.					231
_____ 09/08/2016 _____					232
Seller Date Seller Date					233
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).					237
Easements, Encroachments, Nonconformances					238
Several of the buildings are within the now-required setback, but all are grandfathered in. The plaster boxes in the front of the houses on the street are in the right of way, but have a variance from the City of Lake Forest Park. There is also an easement for the sewer line, which runs down the west side of the property.					240
Roof Leaks - Three roofs of the 9 have leaked in the last 6 years. One was immediately replaced, the other two are scheduled to be replaced in the next 60 days.					244
Settling - Minor settling of house about 10-12 years ago (small cracks in plaster after an earthquake). No change since.					247
Building repairs - Chimney above roof needs some brick work, several interior walls in house have minor plaster cracks (noted above), entrance needs new roof and remodeling.					248
					250
					251

Form 17
Seller Disclosure Statement
Rev. 7/16
Page 6 of 6

**SELLER DISCLOSURE STATEMENT
IMPROVED PROPERTY**
(Continued)

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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

THIS NOTICE IS TO INFORM YOU THAT THE REAL PROPERTY YOU ARE CONSIDERING FOR PURCHASE MAY LIE IN CLOSE PROXIMITY TO A FARM. THE OPERATION OF A FARM INVOLVES USUAL AND CUSTOMARY AGRICULTURAL PRACTICES, WHICH ARE PROTECTED UNDER RCW 7A.8.306, THE WASHINGTON RIGHT TO FARM ACT.

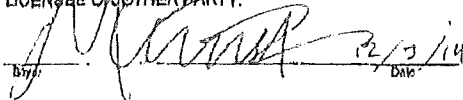
III. BUYER'S ACKNOWLEDGEMENT

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.

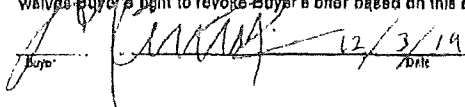
BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.


Buyer _____ Date: 12/3/19

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: 12/3/19

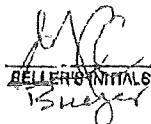
Buyer _____ Date _____

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 _____

 6/28/2019
SELLER'S INITIALS Date


 12/3/19
SELLER'S INITIALS Date

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

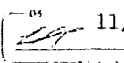
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- i. **Sale Information** Listing Broker and Selling Broker are authorized to report this Agreement (including price and all terms) to the Multiple Listing Service that published it and to its members, financing institutions, appraisers, and anyone 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. 117
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- 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. 122
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- 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. 127
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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. 135
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- 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. 141
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- 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. 153
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- 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. 157
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- 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. 160
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 - 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. 162
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 - 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. 164
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- 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. 168
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Buyer's Initials _____ Date 11/27/19

Buyer's Initials _____ Date _____


Seller's Initials _____ Date 11/27/2019

Seller's Initials _____ Date _____

**Exhibit B to
Memorandum of Agreement for Acquisition of Property**

Forterra Rates

Rate Schedule

Position	Rate
President	\$250
VPs, CFO and Legal	\$225
Vertical Directors/Managing Directors	\$175
Other Directors, Program Mgrs., Sr. Project Mgrs.	\$150
Executive Assistants	\$125
Project Managers	\$115
Senior Project Associates	\$100
Project Associates & Fellows	\$90