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RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

1. Date: 4/4 May 20 2004, 2004 MLS No.: NA
 2. Buyer: Mark H. & Carol A. DeCoursey
 3. Seller: JAMES E. & DIANNE BARR
 4. Property: Tax Parcel Nos.: 1508200170 (KING County)
 Street Address: 8209 172nd AVENUE Washington
 Included Items: stove/range refrigerator washer dryer dishwasher hot tub fireplace insert
 wood stove satellite dish security system other _____
 Legal Description: Lot 17 CHALIMAR DIV # 1
W/CC \$280,000 (TWO HUNDRED EIGHTY THOUSAND)
SEP 10/03 \$265,000 (TWO HUNDRED SIXTY-FIVE THOUSAND)
 5. Purchase Price:
 6. Earnest Money: (To be held by Selling Broker Closing Agent)
 Personal Check: \$ \$5,000
 Note: \$ _____
 Other (): \$ _____

7. Default: (check only one) Forfeiture of Earnest Money Seller's Election of Remedies
 8. Title Insurance Company: Seller may choose (OR Fidelity Title)
 9. Closing Agent: a qualified closing agent of Buyer's choice JOHN WAGNER ESCROW
 10. Closing Date: Monday May 3rd 2004 JUNE 10, 04
 11. Possession Date: on Closing _____ calendar days after Closing _____
 12. Offer Expiration Date: Tuesday April 6th, 9:00 P.M., SATURDAY, MAY 22/04
 13. Counteroffer Expiration Date: _____

14. Addenda: NWMLS 22A; 22D; 35A; 22J
Widener WA OASG 3/03; 103/ Addendum; legal description
 Inspection Addendum: NWMLS 35A NWMLS 35B Other None
 15. Agency Disclosure: Selling Licensee represents Buyer Seller both parties neither party
 Listing Agent represents Seller both parties

16. Services of Closing Agent for Payment of Utilities: Requested (Attach NWMLS Form 22K) Waived 5/21/04
 Buyer's Signature: [Signature] Date: 4/4/04
 Buyer's Signature: [Signature] Date: 4/4/04
 Buyer's Address: 17121 NE 84th ST
Redmond WA 98052
 City, State, Zip
 Phone: 425-885-3130 Fax: _____
 Buyer's E-mail Address: mhdecoursey@earthlink.net
 Seller's Signature: [Signature] Date: 5/21/04
 Seller's Signature: [Signature] Date: 5/21/04
 Seller's Address: 9117-171st AVE. NE
REDMOND WA 98052
 City, State, Zip
 Phone: 425-869-4908 Fax: 425-869-6114
 Seller's E-mail Address: space-barr@msn.com

Selling Broker _____ MLS Office No. _____
 Selling Licensee (Print) _____
 Phone _____ Fax _____
 Listing Broker _____ MLS Office No. _____
 Listing Agent (Print) _____
 Phone _____ Fax _____

2

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

- a. **Purchase Price.** Buyer agrees to pay to Seller the Purchase Price, including the Earnest Money, in cash at Closing, unless otherwise specified in this Agreement. Buyer represents that Buyer has sufficient funds to close this sale in accordance with this Agreement and is not relying on any contingent source of funds or gifts, except to the extent otherwise specified in this Agreement. 1-4
- b. **Earnest Money.** Buyer agrees to deliver the Earnest Money within 2 days after mutual acceptance of this Agreement to Selling Licensee who will deposit any check to be held by Selling Broker, 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 Broker and is over \$10,000.00 it shall be deposited into an interest bearing trust account in Selling Broker's name provided that Buyer completes an IRS Form W-9. Interest, if any, after deduction of bank charges and fees, will be paid to Buyer. Buyer agrees to reimburse Selling Broker for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Broker is over \$10,000.00 Buyer has the option to require Selling Broker to deposit the Earnest Money into the Housing Trust Fund Account, with the interest paid to the State Treasurer, if both Seller and Buyer so agree in writing. If the Buyer does not complete an IRS Form W-9 before Selling Broker must deposit the Earnest Money or the Earnest Money is \$10,000.00 or less, the Earnest Money shall be deposited into the Housing Trust Fund Account. Selling Broker may transfer the Earnest Money to Closing Agent at Closing. If all or part of the Earnest Money is to be refunded to Buyer and any such costs remain unpaid, the Selling Broker or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to: (1) provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and licensees at the addresses and/or fax numbers provided herein; and (2) commence an interpleader action in the Superior Court for the county in which the Property is located within 30 days of a party's demand for the Earnest Money (and deduct up to \$250.00 of the costs thereof) unless the parties agree otherwise in writing. 5-21
- c. **Included Items.** Any of the following items located in or on the Property are included in the sale: built-in appliances; wall-to-wall carpeting; curtains, drapes and all other window treatments; window and door screens; awnings; storm doors and windows; installed television antennas; ventilating, air conditioning and heating fixtures; 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 all bathroom and other fixtures. However, items identified in Specific Term No. 4 are included only if the corresponding box is checked. If any of the above Included Items are leased or encumbered, Seller agrees to acquire and clear title at or before Closing. 22-28
- d. **Condition of Title.** Buyer and Seller authorize Selling Licensee, Listing Agent or Closing Agent to insert, attach or correct the Legal Description of the Property. Unless otherwise specified in this Agreement, title to the Property shall be marketable at Closing. The following shall not cause the title to be unmarketable: rights, reservations, covenants, conditions and restrictions, presently of record and general to the area; easements and encroachments, not materially affecting the value of or unduly interfering with Buyer's reasonable use of the Property; and reserved oil and/or mining rights. Monetary encumbrances not assumed by Buyer shall be paid by Seller on or before Closing. Title shall be conveyed by a Statutory Warranty Deed. If this Agreement is for conveyance of a buyer's interest in a Real Estate Contract, the Statutory Warranty Deed shall include a buyer's assignment of the contract sufficient to convey after acquired title. 29-37
- e. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for a standard form owner's policy of title insurance, with homeowner's additional protection and inflation protection endorsements if available at no additional cost, from the Title Insurance Company. The Title Insurance Company is to send a copy of the preliminary commitment to both Listing Agent and Selling Licensee. The preliminary commitment, and the title policy to be issued, shall contain no exceptions other than the General Exclusions and Exceptions in said standard form and Special Exceptions consistent with the Condition of Title herein provided. If title cannot be made so insurable prior to the Closing Date, then as Buyer's sole and exclusive remedy, the Earnest Money shall, unless Buyer elects to waive such defects or encumbrances, be refunded to the Buyer, less any unpaid costs described in this Agreement, and this Agreement shall thereupon be terminated. Buyer shall have no right to specific performance or damages as a consequence of Seller's inability to provide insurable title. 38-47
- f. **Closing.** This sale shall be closed by the Closing Agent on the Closing Date. If the Closing Date falls on a Saturday, Sunday, or legal holiday as defined in RCW 1.16.050, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, or legal holiday. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. Seller shall deliver keys to Buyer on the Closing Date or on the Possession Date, whichever occurs first. 48-52

Initials: BUYER: [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 53
 BUYER: [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 54

3

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

- g. Possession.** Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller agrees to maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. 55
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- h. Closing Costs and Prorations.** Seller and Buyer shall each pay one-half of the escrow fee unless this sale is FHA or VA financed, in which case it shall be paid according to FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer agrees to pay Buyer's loan costs, including credit report, appraisal charge and lender's title insurance, unless provided otherwise in this Agreement. If any payments are delinquent on encumbrances which will remain after Closing, Closing Agent is instructed to pay them at Closing from money due, or to be paid by, Seller. Buyer agrees to pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement as to the quantity and current price from the supplier. Seller agrees to pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 16, Seller and Buyer request the services of Closing Agent in disbursing funds necessary to satisfy unpaid utility charges in accordance with RCW 60.80 and Seller agrees to provide the names and addresses of all utilities providing service to the Property and having lien rights (attach NWMLS Form 22K Identification of Utilities or equivalent). 57
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- i. Sale Information.** The Listing Agent or Selling Licensee is 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 lenders, financial institutions, Closing Agents, appraisers, title insurance companies, and others related to this Sale, to furnish the Listing Agent and/or Selling Licensee, on request, any and all information and copies of documents concerning the status, progress and final disposition of financing, appraisal, Closing, title condition, and any other matter concerning this sale, including buyer's credit report. In addition, Buyer shall provide any additional consent or authorization necessary to permit Buyer's lender or financing institution to provide information concerning the status, progress and final disposition of financing to the Listing Agent and/or Selling Licensee. 68
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- j. FIRPTA - Tax Withholding at Closing.** The Closing Agent is instructed to prepare a certification (NWMLS Form 22E or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment In Real Property Tax Act. Seller agrees to sign this certification. If Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service. 77
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- k. Notices.** Unless otherwise specified in this Agreement, any notice required or permitted in, or related to, this Agreement (including revocations of offers or counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and shall be deemed given only when the notice is received by Seller, by Listing Agent or at the licensed office of Listing Agent. Notices to Buyer must be signed by at least one Seller and shall be deemed given only when the notice is received by Buyer, by Selling Licensee or at the licensed office of Selling Licensee. Receipt by Selling Licensee of a Real Property Transfer Disclosure Statement, Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, Public Offering Statement and/or Resale Certificate shall be deemed receipt by Buyer. Selling Licensee and Listing Agent have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address shown on this Agreement. Buyer and Seller must keep Selling Licensee and Listing Agent advised of their whereabouts in order to receive prompt notification of receipt of a notice. 81
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- l. Computation of Time.** Unless otherwise specified in this Agreement, any period of time stated in this Agreement shall start on the day following the event commencing the period and shall expire at 9:00 p.m. of the last calendar day of the specified period of time. 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 shall not include Saturdays, Sundays or legal holidays. Time is of the essence of this Agreement. 92
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- m. Facsimile and E-mail Transmission.** Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will confirm facsimile transmitted signatures by signing an original document. E-mail transmission of any document or notice shall not be effective unless the parties to this Agreement otherwise agree in writing. 97
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- n. Integration.** This Agreement constitutes the entire understanding between the parties and supersedes all prior or contemporaneous understandings and representations. No modification of this Agreement shall be effective unless agreed in writing and signed by Buyer and Seller. 101
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Initials: BUYER: [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 104
BUYER: [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 105

4

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

- o. Assignment.** Buyer may not assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless provided otherwise herein. 106
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- p. Default.** In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then the following provision, as identified in Specific Term No. 7, shall apply: 108
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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. 110
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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. 112
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- q. Attorneys' Fees.** If Buyer or Seller institutes suit against the other concerning this Agreement, the prevailing party is entitled to reasonable attorneys' fees and expenses. 116
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- r. Offer.** Buyer agrees to purchase the Property under the terms and conditions of this Agreement. Seller shall have until 9:00 p.m. on the Offer Expiration Date to accept this offer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is actually received by Buyer, by Selling Licensee or at the licensed office of Selling Licensee. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 118
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- s. Counteroffer.** Seller agrees to sell the Property under the terms and conditions of this Agreement. If Seller makes a counteroffer, Buyer shall have until 9:00 p.m. on the Counteroffer Expiration Date to accept the counteroffer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is actually received by Seller, by Listing Agent or at the licensed office of Listing Agent. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. If no expiration date is specified for a future counteroffer, the counteroffer shall expire at 9:00 p.m. on the second day after the counteroffer is signed by the last party making the counteroffer, unless sooner withdrawn. 122
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- t. Agency Disclosure.** Selling Broker represents the same party that Selling Licensee represents. Listing Broker represents the same party that the Listing Agent represents. If Selling Licensee and Listing Agent are different salespersons affiliated with the same Broker, then both Buyer and Seller confirm their consent to that Broker representing both parties as a dual agent. If Selling Licensee and Listing Agent are the same salesperson representing both parties then both Buyer and Seller confirm their consent to that salesperson and his/her Broker representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency." 129
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- u. Commission.** Seller and Buyer agree to pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Broker's commission shall be apportioned between Listing Broker and Selling Broker as specified in the listing. Seller and Buyer hereby consent to Listing Broker or Selling Broker receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Broker and Selling Broker, as applicable, a portion of their funds in escrow equal to such commission(s) and irrevocably instruct the Closing Agent to disburse the commission(s) directly to the Broker(s). In any action by Listing or Selling Broker to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. 136
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- v. Cancellation Rights/Lead-Based Paint.** If a residential dwelling was built on the Property prior to 1978, and Buyer receives a Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (NWMLS Form 22J) after mutual acceptance, Buyer may rescind this Agreement at any time up to 3 days thereafter. 143
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- w. Property Condition Disclaimer.** Real estate brokers and salespersons do not guarantee the value, quality or condition of the Property. Some properties may contain building materials, including siding, roofing, ceiling, insulation, electrical, and plumbing materials, that have been the subject of lawsuits and/or governmental inquiry because of possible defects or health hazards. In addition, some properties may have other defects arising after construction, such as drainage, leakage, pest, rot and mold problems. Real estate licensees do not have the expertise to identify or assess defective products, materials, or conditions. Buyer is urged to retain inspectors qualified to identify the presence of defective materials and evaluate the condition of the Property. 146
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Initials: BUYER: [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 153
BUYER: [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 154

5

**FINANCING ADDENDUM
PURCHASE & SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated 4/4, 2004 1
between DeCoursey ("Buyer") 2
and BARR ("Seller") 3
concerning 8209 122nd AVE NE ("the Property") 4

1. **DOWN PAYMENT/LOAN APPLICATION.** This Agreement is contingent on Buyer obtaining a Conventional VA 5
 FHA purchase loan. Buyer agrees to pay 20% down, 6
and to make written application and pay the application fee, if required, for the subject Property within _____ 7
days (5 days if not filled in) after mutual acceptance of this Agreement, or if this Agreement is conditioned on the 8
sale of Buyer's property, within _____ days (5 days if not filled in) after Buyer satisfies or removes 9
contingency, for a loan to pay the balance of the purchase price. If Buyer fails to make application for financing 10
within the agreed time, then this financing contingency shall be deemed waived. 11

2. **FINANCING DEADLINE/SELLER TERMINATION NOTICE.** If Buyer has not within 25 days 12
(30 days if not filled in) after making application for a loan, given notice that Buyer has waived this financing contin- 13
gency, then Seller may, at any time thereafter, elect to terminate this Agreement by giving 5 days notice. If, within 5 14
days of Seller's notice, Buyer does not waive this financing contingency by notice, this Agreement shall terminate. 15

3. **EARNEST MONEY.** If Buyer has not waived this financing contingency, and is unable to obtain financing after a 16
good faith effort then, on Buyer's notice, this Agreement shall terminate and the Earnest Money shall be refunded 17
to Buyer. 18

4. **INSPECTION/REPAIRS.** Seller agrees to permit inspections required by Buyer's lender, including but not limited to 19
structural, pest, heating, plumbing, roof, electrical, septic, and well inspections. Seller is not obligated to pay for 20
such inspections except as otherwise agreed. 21

5. **APPRAISAL LESS THAN SALE PRICE.** If Buyer's lender's appraisal of the value of the Property is less than the 22
Purchase Price, Buyer may, within 3 days after receipt of a copy of lender's appraisal, give notice of Buyer's 23
election to terminate this Agreement unless Seller, within 10 days after receipt of such notice, delivers to Buyer 24
either: 25

(a) (i) If this Agreement is contingent on FHA financing, a reappraisal by the same appraiser, at Seller's 26
expense, in an amount not less than the Purchase Price or (ii) if this Agreement is contingent on non-FHA 27
financing, reappraisal, at Seller's expense, by the same appraiser or another appraiser acceptable to the 28
lending institution in an amount not less than the Purchase Price; or 29

(b) Written consent to reduce the selling price to an amount not more than the amount specified in the appraisal 30
or reappraisal, whichever is higher. (Not applicable if this Agreement is conditioned on FHA financing. FHA 31
does not permit the Buyer to be obligated to buy if the Seller reduces the Purchase Price to the appraisal 32
value. The Buyer, however, has the option to buy at the reduced price.) 33

If such reappraisal or consent to reduction of Purchase Price is not so delivered, this Agreement shall terminate 34
and the Earnest Money shall be refunded to Buyer. To permit the parties the foregoing times for notices, the Closing 35
Date shall be extended accordingly. 36

Initials: BUYER: X [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 37
BUYER: [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 38

DR 5-70-04 11/17/04

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

6. SPECIAL FHA/VA PROVISIONS.

FHA LOAN COSTS. If this sale is contingent on Buyer obtaining an FHA loan, Seller agrees to pay up to _____ (\$300.00 if not filled in), which shall be applied to that portion of Buyer's loan and settlement costs that the Lender is prohibited from collecting from the Buyer under FHA regulations. Any balance remaining shall be payable to Buyer's loan discount at the interest rate selected by Buyer or to other settlement costs as allowed by FHA regulations.

VA LOAN COSTS. If this sale is contingent on Buyer obtaining a VA loan, Seller agrees to pay the full escrow fee for the entire transaction. In addition Seller agrees to pay up to _____ (\$300.00 if not filled in), which shall be applied to that portion of Buyer's loan and settlement costs that the Lender is prohibited from collecting from the Buyer under VA regulations. Any balance remaining shall be payable to Buyer's loan discount, loan fee, interest buy down and/or financing and closing costs to the extent permitted by VA regulations and Buyer's loan amount is not thereby reduced.

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

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

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

8. Notice to Buyer Concerning Insurance. The availability and cost of homeowners or property insurance on the Property depends on a number of factors, including your personal insurance, financial and credit history, materials and conditions present in or on the Property, and the claims history for the Property. Some insurance companies base underwriting decisions on Comprehensive Loss Underwriting Exchange ("CLUE") reports on the history of insurance claims concerning the Property or made by you concerning other properties.

Insurance Contingency/Application. This Agreement is conditioned upon Buyer obtaining a binder for homeowners or property insurance on the Property from an admitted insurer at its rates filed with the Washington State Insurance Commissioner. Buyer agrees to make application for insurance within _____ days (5 days, if not filled in) after mutual acceptance of this Agreement. If Buyer fails to make application within the agreed time, then this insurance contingency shall be deemed waived.

Insurance Deadline. This insurance contingency shall be deemed satisfied, unless within _____ days (10 days, if not filled in) after mutual acceptance of this Agreement, Buyer gives notice of inability to obtain insurance. If Buyer is unable to obtain such a binder after making a good faith effort and timely gives notice of such inability, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

6 Dec 5-20-04 MHD 5/20

Initials: BUYER: Y MHD DATE: 4/4/04 SELLER: QEB DATE: 5/21/04
BUYER: X B. De C DATE: 4/4/04 SELLER: QRB DATE: 5/21/04

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

The following is part of the Purchase and Sale Agreement dated 4/4, 20004 1
between DeCoursey ("Buyer") 2
and BAR ("Seller") 3
concerning 8209 122nd AVE NE ("the Property"). 4

CHECK IF INCLUDED: 5

1. **Square Footage/Lot Size/Encroachments.** The Listing Agent and Selling Licensee 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 within the inspection contingency period. 6-9
2. **Homeowner's Policy of Title Insurance.** Notwithstanding the "Title Insurance" clause in this Agreement, Buyer's lender or Closing Agent is directed to apply for an ALTA or comparable Homeowner's Policy of Title Insurance, rather than the standard form owner's policy. Buyer Seller (Seller if neither box is checked) shall pay the excess premium over that charged for a standard coverage policy. If the Title Insurance Company selected by the parties will not issue a Homeowner's Policy of Title Insurance for the Property, the parties agree that the Title Insurance Company shall issue a standard form owner's policy instead. 10-16
3. **Extended Coverage Title Insurance.** Notwithstanding the "Title Insurance" clause in this Agreement, Buyer's lender or Closing Agent is directed to apply for an ALTA or comparable extended coverage policy of title insurance, rather than the standard form owner's policy. Buyer shall pay the increased costs associated with the extended coverage policy including excess premium over that charged for a standard coverage policy and the cost of any survey required by the title insurer. 17-21
4. **Property And Grounds Maintained.** Until possession is transferred to Buyer, Seller agrees to maintain the Property in the same condition as when initially viewed by Buyer. The term "Property" includes the building(s); grounds; plumbing, heat, electrical and other systems; and all Included Items. Should an appliance or system become inoperative or malfunction prior to transfer of possession, Seller agrees to either repair or replace the same with an appliance or system of at least equal quality, prior to Closing. Buyer reserves the right to reinspect the Property within 5 days prior to transfer of possession to verify the foregoing. Buyer and Seller understand and agree that the Listing Agent and Selling Licensee shall not, under any circumstances, be liable for the foregoing or Seller's breach of this clause. 22-29
5. **Items Left by Seller.** Any personal property, fixtures or other items remaining on the Property when possession is transferred to Buyer shall thereupon become the property of Buyer, and may be retained or disposed of as Buyer determines. However, Seller agrees to clean the interiors of any structures and remove all trash, debris and rubbish on the Property prior to Buyer taking possession. 30-33
6. **Utilities.** To the best of Seller's knowledge, Seller represents that the Property is connected to a: public water main well public sewer main septic tank. 34-35

Initials: BUYER: [Signature] DATE: 4/4/04 SELLER: JEB DATE: 5/21/04 36
BUYER: [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 37

ERC 5-20-04 MD 5/20

8

**OPTIONAL CLAUSES ADDENDUM TO
PURCHASE & SALE AGREEMENT**
(continued)

7. **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:

WALL INSULATION: TYPE: _____ THICKNESS: _____ R-VALUE _____ 41
CEILING INSULATION: TYPE: _____ THICKNESS: _____ R-VALUE _____ 42
OTHER INSULATION DATA: _____ 43

8. **Statutory Safe Harbor.** The Default paragraph in the Purchase and Sale Agreement is deleted. The parties agree that RCW 64.04.005 shall apply and that in the event the Buyer fails, without legal excuse, to complete the purchase of the Property, then that portion of the Earnest Money which does not exceed 5% of the Purchase Price shall be forfeited to the Seller as the sole and exclusive remedy available to Seller for such failure.

Initials: BUYER: X [Signature] SELLER: _____ 48
BUYER: X [Signature] SELLER: _____ 49

9. **Selling Broker's Commission.** If there is no written listing agreement, Seller agrees to pay Selling Broker a commission of _____ % of sales price or \$ _____
If the Earnest Money is retained as liquidated damages, any costs advanced or committed by Selling Broker shall be reimbursed or paid therefrom, and the balance shall be divided equally between Seller and Selling Broker.

10. **Leased Property.** Buyer hereby acknowledges that Seller leases the following items of personal property, possession of which shall pass to Buyer on Closing:
 propane tank security system satellite dish other None
Buyer shall assume the lease for the items selected, perform all of the obligations of the lease, and hold Seller harmless from and against any further obligation, liability, or claim arising from the lease.

11. **Other.**

Initials: BUYER: X [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 71
BUYER: X [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 72

[Handwritten notes]

9

**INSPECTION ADDENDUM TO PURCHASE & SALE AGREEMENT
BUYER'S SATISFACTION**

The following is part of the Purchase and Sale Agreement dated 4/4, 2004 1
between DeCoursey ("Buyer") 2
and BAR ("Seller") 3
concerning 8209 172nd AVENUE ("the Property") 4

1. **INSPECTION CONTINGENCY.** The above Agreement is conditioned on Buyer's subjective satisfaction with an 5
inspection of the Property and the improvements on the Property. Buyer's inspection may include, at Buyer's option, 6
the structural, mechanical and general condition of the improvements to the Property, compliance with building and 7
zoning codes, an inspection of the Property for hazardous materials, a pest inspection, and a soils/stability inspection. 8

a. Buyer's Obligations. All inspections are to be (a) ordered by Buyer, (b) performed by an inspector of Buyer's 9
choice and (c) completed at Buyer's expense. Buyer shall not alter the Property or any improvements on the 10
Property without first obtaining Seller's permission. Buyer is solely responsible for interviewing and selecting all 11
inspectors. Buyer shall restore the Property and all improvements on the Property to the same condition they were 12
in prior to the inspection. Buyer shall be responsible for all damages resulting from any inspection of the Property 13
performed on Buyer's behalf. 14

b. Buyer's Notice. This inspection contingency SHALL CONCLUSIVELY BE DEEMED SATISFIED (WAIVED) un- 15
less within _____ days (10 days if not filled in) after mutual acceptance of this Agreement, Buyer gives notice 16
(1) approving the inspection and waiving this contingency; (2) disapproving the inspection and terminating the 17
Agreement; (3) giving notice of additional inspections; or (4) proposing modifications to the Agreement (NWMLS 18
Form 35AR). If Buyer disapproves the inspection and terminates the Agreement, the Earnest Money shall be 19
refunded to Buyer. 20

ATTENTION BUYER: If Buyer fails to give timely notice, then this inspection contingency shall be deemed waived and 21
Seller shall not be obligated to make any repairs or modifications. 22

c. Additional Inspections. If the initial inspector used by Buyer recommends further evaluation of any item by a 23
specialist, Buyer shall have an additional _____ days (5 days if not filled in) to obtain the additional inspection 24
by a specialist at Buyer's option and expense. On or before the end of the initial inspection period set forth in 25
paragraph 1(b), Buyer shall provide a copy of the inspector's recommendation and notice that Buyer will seek 26
additional inspections by specialists as recommended by the inspector. If Buyer gives timely notice requesting 27
additional inspections, the time for providing Buyer's response to the initial inspection shall be extended to the time 28
for providing Buyer's response to the additional inspection. The time for conducting additional inspections shall 29
commence on the day after Buyer gives notice under this paragraph, and it shall be determined as set forth in the 30
Computation of Time paragraph of the Agreement. 31

d. Buyer's Request for Modifications. Buyer may request repairs or modifications to the Property or other reme- 32
dies, including adjustments to the purchase price or credits for repairs to be performed after closing. 33

(i) Seller's Response to Request for Modifications. Seller shall have _____ days (3 days if not filled in) 34
after receipt of Buyer's request for modifications to give notice that Seller (a) agrees to the modifications proposed 35
by Buyer; (b) agrees to some of the modifications proposed by Buyer; (c) rejects all modifications proposed by 36
Buyer; or (d) offers different or additional modifications. If Seller agrees to the terms of Buyer's request for 37
modification, this contingency shall be waived. 38

(ii) Buyer's Reply. If Seller does not agree to the modifications proposed by Buyer, Buyer shall have _____ 39
days (3 days if not filled in) from the earlier of receipt of Seller's response or the deadline for Seller's response 40
to (a) accept the Seller's Response and waive this inspection contingency; (b) disapprove the inspection and 41
terminate the Agreement; or (c) agree with the Seller on other remedies. 42

ATTENTION BUYER: If the parties have not reached written agreement or Buyer fails to terminate this Agreement by 43
the deadline, then this contingency shall be deemed waived, and Seller shall not be obligated to make any repairs or 44
modifications. 45

Initials: BUYER: [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 46
BUYER: [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 47

10

INSPECTION ADDENDUM TO PURCHASE & SALE AGREEMENT
BUYER'S SATISFACTION
(continued)

e. Corrections. If Seller agrees to correct the condition(s) identified by Buyer, then corrections shall be accomplished at Seller's expense in a commercially reasonable manner prior to the Closing Date. In the case of hazardous materials, "correction" means removal or treatment (including but not limited to removal or, at Seller's option, decommissioning of any oil storage tanks) of the hazardous material at Seller's expense as recommended by and under the direction of a licensed hazardous material engineer or other expert selected by Seller. Seller's corrections are subject to reinspection and approval, prior to Closing, by the inspector who prepared Buyer's inspection report, if Buyer elects to order and pay for such reinspection. 48 49 50 51 52 53 54

f. Oil Storage Tanks. Any inspection regarding oil storage tanks or contamination from such tanks shall be limited solely to determining the presence or non-presence of oil storage tanks on the Property, unless otherwise agreed to in writing by Buyer and Seller. 55 56 57

g. Form 17. Buyer waives the right to receive an amended Real Property Transfer Disclosure Statement (NWMLS Form 17) pursuant to RCW 64.06 based on conditions identified in any inspection or inspection report(s). 58 59

2. **DEFERRED DEPOSIT OF EARNEST MONEY.** Selling Broker shall retain the Earnest Money, without deposit, during this inspection contingency. Upon waiver or satisfaction of this inspection contingency, Selling Broker shall deposit or deliver the Earnest Money in accordance with the Agreement. To the extent this paragraph differs from the terms of the Agreement, the terms of this paragraph shall control. 60 61 62 63

3. **NEIGHBORHOOD REVIEW.** Buyer's inspection includes Buyer's subjective satisfaction that the conditions of the neighborhood in which the Property is located are consistent with Buyer's intended use of the Property (the "Neighborhood Review"). The Neighborhood Review includes Buyer's investigation of the schools, proximity to bus lines, availability of shopping, traffic patterns, noise, parking and investigation of other neighborhood, environmental and safety conditions the Buyer may determine to be relevant in deciding to purchase the Property. If Buyer does not give notice of disapproval of the Neighborhood Review within _____ days (3 days if not filled in) of mutual acceptance of this Agreement then this Neighborhood Review contingency shall conclusively be deemed satisfied (waived). 64 65 66 67 68 69 70

4. **WAIVER OF INSPECTION.** Buyer has been advised to obtain a building, hazardous substances, building and zoning code, pest or soils/stability inspection, and to condition the closing of this Agreement on the results of such inspection(s), but Buyer elects to waive the right and buy the Property in its present condition. Buyer acknowledges that the decision to waive Buyer's inspection options was based on Buyer's personal inspection and Buyer has not relied on representations by Seller, Listing Agent or Selling Licensee. 71 72 73 74 75

Initials: BUYER: X [Signature] DATE: 4/4/04 SELLER: JEB DATE: 5/21/04 76
BUYER: X [Signature] DATE: 4/4/04 SELLER: [Signature] DATE: 5/21/04 77

C.D.C. 5-20-04 [Signature] 57.2

ADDITIONAL CLAUSES ADDENDUM
WINDERMERE/SCA REVISED FORM

11
4/14/04

This Addendum is a part of the Purchase and Sale Agreement ("Agreement") dated 4/14/04 Between Decoursey ("Buyer") and Buyer ("Seller") Concerning the property commonly know as 8209 172nd AVE NE ("the Property"). In this addendum, "Agent" means both Listing and Selling Agent and their brokerages, including licensees who are not representing either Buyer or Seller. This Addendum supersedes any inconsistent terms of this Agreement.

1. LEAD BASED PAINT/CANCELLATION RIGHTS. If a residential dwelling was built on the Property before 1978, Seller shall provide Buyer with a Disclosure of Information of Lead-Based Paint and Lead-Based Paint Hazards (NWMLS Form and attachments no later than ___ days (five calendar days if not filled in) after mutual acceptance. Buyer shall have three days from receipt of the disclosures to rescind this transaction. Seller's failure to complete and deliver the Lead Based Paint Disclosures may result in liability for treble damages and substantial penalties under federal law.

2. REAL PROPERTY TRANSFER DISCLOSURE STATEMENT. The Real Property Transfer Disclosure Statement (RPTDS) is for disclosure purposes only and is not a part of this Agreement, it:

- has been provided to the Buyer.
- is to be provided to the Buyer within ___ days (5 calendar days if not filled in) of mutual acceptance.
- is not available. Buyer waives right to receive Seller's RPTDS.
- is not required (exempt transaction under RCW 64.06).

When no RPTDS is being provided, Seller acknowledges Seller's obligation to disclose all know material defects.

3. CAPACITY CHARGES. The Property may be subject to capacity or impact charges for connecting utilities to the property. Buyer has been advised that capacity charges may not appear in the title report. Ordinarily, capacity charges may be prepaid or paid over a period of years.

If capacity charges apply: Seller shall prepay any capacity charges Buyer shall assume all such capacity charges.

4. TITLE REPORT CONDITION. This Agreement is is not subject to Buyer's review of the preliminary commitment or title insurance to verify that the condition of title (including the presence or absence of restrictions, easements, view protections and covenants) is consistent with Buyer's inteded use of the Property. If Buyer has not given notice terminating this Agreement within ___ days (15 days if not filled in) following Buyer's receipt of the preliminary commitment for title insurance, then this condition shall be deemed conclusively waived. Seller shall cause the preliminary commitment to be delivered to Buyer within five days after mutual acceptance.

5. AFFILIATED BUSINESS RELATIONSHIPS. Some Windermere brokerages have an ownership interest in Windermere Mortgage Services, Settlement Services (escrow), and/or Commonwealth Land Title of Puget Sound, and may receive a financial benefit from that interest if Buyer or Seller elects to use those service providers. Buyer and Seller acknowledge that Windermere has not required the use of any service provider.

6. RECOMMENDATIONS AND REFERRALS. Agent may assist Buyer or Seller with locating, selecting or scheduling service providers, such as home inspectors, contractors and lenders. Agent cannot guarantee, ensure or be responsible for the quality or performance of the services or to the financial responsibility of third parties. Other vendors are available, and the price and quality of such services is competitive. Buyer and Seller agree to exercise their own judgment regarding such service providers.

7. COMPLETE AGREEMENT. Buyer and Seller agree that all representations and understandings on which they are relying are contained in this written Agreement, and agree that Buyer, Seller and Agent shall not be responsible for any representations or agreements that are not contained I this written Agreement, including flyers, advertising and listing information.

[Signature] 4/14/04
Buyer Date

MR 520

[Redacted] 5/21/04
Seller Date

[Signature] 4/14/04
Buyer Date

CREC 7/20/04

[Redacted] 5/21/04
Seller Date

12

**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 / Lease Agreement dated 4/4, 2004
between De Coursoy ("Buyer" and/or "Lessee")
and BAR ("Seller" and/or "Lessor")
concerning 8209 192nd AVENUE (the "Property")

Purchase & Sale Agreement Lead Warning Statement

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

Lease Agreement Lead Warning Statement

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

Cancellation Rights

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

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

Seller's/Lessor's Disclosure

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

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

[Redacted] 5/21/04 Seller/Lessor Date [Redacted] 5/21/04 Seller/Lessor Date

Initials: BUYER/LESSEE: _____ DATE: _____ SELLER/LESSOR: X JEB DATE: 5/21/04
BUYER/LESSEE: _____ DATE: _____ SELLER/LESSOR: X JLB DATE: 5/21/04

13

**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

- (c) Buyer/Lessee has received copies of all information listed above. 40
- (d) Buyer/Lessee has received the pamphlet "Protect Your Family from Lead in Your Home." 41
- (e) Buyer has (check one below only if Purchase and Sale Agreement): 42

Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards. 43

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: 44

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.) 45

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. 46

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. 47

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. 48

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). 49

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. 50

Buyer/Lessee	Date	Buyer/Lessee	Date	51
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Licensees' Acknowledgment 52

Licensees 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. 53

Selling Licensee	Date	Listing Agent	Date	
Initials: BUYER/LESSEE: <input checked="" type="checkbox"/>	DATE: _____	SELLER/LESSOR: <input checked="" type="checkbox"/>	DATE: <input checked="" type="checkbox"/>	54
BUYER/LESSEE: <input checked="" type="checkbox"/>	DATE: _____	SELLER/LESSOR: <input checked="" type="checkbox"/>	DATE: <input checked="" type="checkbox"/>	55

14

Addendum to Residential Real Estate Purchase and Sale Agreement
dated 5/20/04

The Buyer herein acknowledges that it is the intention of the Seller to effect an IRS Section 1031 Tax-Deferred Exchange and that the Seller's rights and obligations under this agreement may be assigned to a Qualified Intermediary to facilitate such exchange. Buyer agrees to cooperate with the Seller and/or its assigns in a manner necessary to enable the Seller to initiate said exchange at no additional cost or liability to the Buyer.

Buyer's Signature Carol A DeCoursey Date 5/21/04

Buyer's Signature _____ Date _____

Seller's Signature [REDACTED] Date 5/21/04

Seller's Signature [REDACTED] Date 5/21/04

INSPECTION NOTICE FOR FORM 35A

The following is part of the Purchase and Sale Agreement dated 5/20, 2004
ween De COURSEY ("Buyer")
and BARR ("Seller")
concerning 8209 172nd AVE NE ("the Property")

I. BUYER'S NOTICE OR REQUEST FOR MODIFICATION.

- Buyer's inspection of the Property is approved and the inspection contingency is waived.
- Buyer's inspection of the Property is disapproved and the Agreement is terminated. The Earnest Money shall be refunded to Buyer.
- Buyer gives notice of an additional inspection. The inspector's recommendation is attached. The time for Buyer's response to the initial and additional inspection is extended as provided in paragraph 1(c) of Form 35A.
- Buyer requests the following modifications and/or corrections. If Seller agrees to these modifications, the inspection contingency shall be deemed satisfied.

Seller has received 12-page inspection report from EVERWOOD Building Inspection Services by Warren HARKCOM dated 5/24/04.

A - EXTERIOR, ITEM #5, PAGE 1, TYPED REPORT

B - EXTERIOR, ITEM #6, PAGE 2 AND INTERIOR, ITEM #10, PAGE 3 TYPED REPORT

C - INTERIOR, ITEM #5 1, 2 and 3, PAGE 2 TYPED REPORT.

Carol A DeCoursey Buyer May 28 2004 Date W. DeCoursey Buyer 5/28/04 Date

II. SELLER'S RESPONSE TO BUYER'S REQUEST FOR MODIFICATION.

Seller acknowledges receipt of Buyer's request for modification, and responds as follows:

- Seller agrees to all of the modifications in Buyer's request for modification. The inspection contingency is satisfied.
- Seller offers to correct only the following conditions:

A - EXTERIOR, ITEM # 5 - PAGE 1, TYPED REPORT

- Seller rejects all proposals by Buyer.
- Seller rejects all proposals by Buyer, but proposes the following alternative modifications:

[Redacted] Seller 5/30/04 Date [Redacted] Seller 5/30/04 Date

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

- Buyer accepts Seller's response, waives the inspection contingency, and agrees to proceed to Closing as provided in the Agreement as modified.
- Buyer rejects Seller's response. Buyer disapproves of the inspection and this Agreement is terminated. The Earnest Money shall be refunded to Buyer.
- Buyer rejects Seller's response, but offers the attached alternative proposal for modification. Buyer acknowledges that the inspection contingency will be waived unless Buyer and Seller reach written agreement or Buyer gives notice disapproving the inspection and terminating the Agreement before the deadline in paragraph 1(d)(ii) of the inspection contingency (NWMLS Form 35A).

Carol A DeCoursey Buyer May 31/2004 Date W. DeCoursey Buyer May 31/2004 Date