

CONDOMINIUM 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, including funds from loans, the sale of other property, gifts, retirement, or future earnings, except to the extent otherwise specified in this Agreement.
- b. Earnest Money.** Buyer agrees to deliver the Earnest Money within 2 days after mutual acceptance of this Agreement 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 county in which the Property is located within 30 days of a party's demand for the Earnest Money unless the parties agree otherwise in writing. The parties authorize the party commencing an interpleader action to deduct up to \$250.00 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 and remotes; water heaters; installed electrical fixtures; lighting fixtures; shrubs, plants and trees planted in the ground; all bathroom and other fixtures; and all associated operating equipment. If any of the above Included Items are leased or encumbered, Seller agrees to acquire and clear title at or before Closing.
- d. Condition of Title.** 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 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 agrees to pay any title cancellation fee, in the event such a fee is assessed. If the Title Insurance 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. The Title Insurance Company shall send a copy of the preliminary commitment to Seller, Listing Agent, Buyer 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 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

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 57
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 58

CONDOMINIUM PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

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 agrees to maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. If possession transfers at a time other than Closing, the parties agree to 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.	59 60 61 62 63 64
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 agrees to 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.	65 66 67 68 69 70 71
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 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 such delinquencies 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. 15, 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). 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 encumbrances at the time of Closing, or 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. 16.	72 73 74 75 76 77 78 79 80 81 82 83 84 85 86
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 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 this sale.	87 88 89 90 91
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.	92 93 94 95
k. Notices. In consideration of the license to use this and NWMLS's companion forms and for the benefit of the Listing Agent and the Selling Licensee as well as the orderly administration of the offer, counteroffer or this Agreement, the parties irrevocably agree that 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. Actual receipt by Selling Licensee of a Form 17, Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, Public Offering Statement or Resale Certificate, homeowners' association documents provided pursuant to NWMLS Form 22D, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T 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.	96 97 98 99 100 101 102 103 104 105 106 107 108 109
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	110 111 112
Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____	113
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____	114

CONDOMINIUM PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

- 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. 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 offeree and delivered to the offeror, then for the purposes of computing time, mutual acceptance shall be deemed to be on the date of delivery of an accepted offer or counteroffer to the offeror, rather than on the date the legal description is attached. Time is of the essence of this Agreement.
- m. 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.
- 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.
- o. 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.
- 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. 8, shall apply:
- i. Forfeiture of Earnest Money.** That portion of the Earnest Money that does not exceed five percent (5%) of the Purchase Price shall be forfeited to the Seller as the sole and exclusive remedy available to Seller for such failure.
- ii. Seller's Election of Remedies.** Seller may, at Seller's option, (a) keep the Earnest Money as liquidated damages as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity.
- q. 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 agree to pay their own fees incurred for such review. However, if Buyer or Seller institutes suit against the other concerning this Agreement the prevailing party is entitled to reasonable attorneys' fees and expenses.
- 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.
- s. Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of the Seller's name, 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 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.
- t. 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.
- u. 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."
- v. 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

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 169
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 170

CONDOMINIUM PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

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. Seller and Buyer agree that the Licensees are intended third party beneficiaries under this Agreement.	171 172 173 174
w. 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.	175 176 177
x. Information Verification Period and Property Condition Disclaimer. Buyer shall have 10 days after mutual acceptance to verify all information provided from Seller or Listing Agent 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. 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 Licensee. The parties acknowledge that the Licensees are not responsible for assuring that the parties perform their obligations under this Agreement and that none of the Licensees have 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 Licensee. In addition, Licensees 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. 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. Licensees may assist the parties with locating and selecting third party service providers, such as inspectors or contractors, but Licensees cannot guarantee or be responsible for the services provided by those third parties. The parties agree to exercise their own judgment and due diligence regarding third party service providers.	178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196
y. Disclosures in Form 17. If Seller provides Buyer with a disclosure statement pursuant to RCW 64.06 (Form 17), Buyer may bring an action in tort to recover economic losses resulting from intentional misrepresentations in Form 17; and if the parties so agree in Specific Term No. 9, Buyer may bring an action in tort to recover economic losses resulting from negligent errors, inaccuracies, or omissions in Form 17. Nevertheless, Buyer is advised to use due diligence to inspect the Property to Buyer's satisfaction, as Seller may not know or have reason to know of defects that careful inspections might reveal. If, in Specific Term No. 9, the parties agree that Buyer will not have a remedy for economic loss resulting from negligent errors, inaccuracies, or omissions in Form 17, then Buyer assumes the risk of economic loss that may result from Seller's negligent misrepresentation in Form 17. Buyer maintains the right to bring any and all claims permitted under the common law, including fraudulent concealment. Buyer and Seller acknowledge that home protection plans may be available which may provide additional protection and benefit to Buyer and Seller.	197 198 199 200 201 202 203 204 205 206 207
z. Public Offering Statement. This paragraph only applies if a Public Offering Statement is required by RCW 64.34. If Buyer has not received a Public Offering Statement (including the Declaration, Survey Map and Plans, Association Articles of Incorporation, Association Bylaws, Association Rules and Regulations, Association Budget and Association Balance Sheet) Seller agrees to deliver a Public Offering Statement to Buyer by the date specified in Specific Term No. 18. Buyer shall be conclusively deemed to have approved the Public Offering Statement unless, within 7 days following receipt, Buyer gives notice of disapproval of the same. If Buyer disapproves the Public Offering Statement, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.	208 209 210 211 212 213 214
aa. Resale Certificate. This paragraph only applies if a Public Offering Statement is NOT required by RCW 64.34. If Buyer has not received a Resale Certificate, Seller agrees to deliver a Resale Certificate to Buyer by the date specified in Specific Term No. 19. Buyer shall be conclusively deemed to have approved the Resale Certificate unless, within 5 days following receipt, Buyer gives notice of disapproval of the same. If Buyer disapproves the Resale Certificate, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.	215 216 217 218 219
bb. Condominium Assessment. The current Condominium Assessment is the amount specified in Specific Term No. 20, but is subject to change from time to time. In addition to Buyer's prorated portion of the Closing month's condominium assessment, a Deposit equal the amount specified in Specific Term No. 20 is required at Closing.	220 221 222

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 223
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 224

**FINANCING ADDENDUM
PURCHASE & SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated _____, 200____ 1
between _____ ("Buyer") 2
and _____ Leeward Strategic Properties Inc. ("Seller") 3
concerning 1105 Spring St # _____ Seattle, Wa _____ 98104 _____ ("the Property") 4

1. **DOWN PAYMENT/LOAN APPLICATION.** This Agreement is contingent on Buyer obtaining the following loan or loans 5
to purchase the Property (the "Loans"): Conventional First; Conventional Second; Bridge; VA; FHA; 6
 Rural Development ("RD"); Home Equity Line of Credit. Buyer agrees to pay _____ 7
down, in addition to the Loans and to make written application and pay the application fee, if required, for the subject 8
Property within _____ days (5 days if not filled in) after mutual acceptance of this Agreement, or if this 9
Agreement is conditioned on the sale of Buyer's Property, within _____ days (5 days if not filled in) after Buyer 10
satisfies that contingency ("Satisfaction") (from mutual acceptance if neither box checked), for the Loans to pay the 11
balance of the purchase price. If Buyer fails to make application for financing within the agreed time, then the financing 12
contingency contained herein shall be deemed waived. Buyer may not change the type of loan or the lender without 13
Seller's prior written consent after the agreed upon time to apply for financing expires. For purposes of this Addendum, 14
"lender" means the party funding the loan. 15
2. **FINANCING TIMELINES/LETTER OF LOAN COMMITMENT.** Unless Buyer has given notice waiving this financing 16
contingency, no later than _____ days (30 days if not filled in) after (a) mutual acceptance of the Agreement or 17
(b) Satisfaction, if selected above, Buyer shall provide to Seller a letter of loan commitment from Buyer's lender which 18
states the date of loan application, the current status of Buyer's loan application, and any conditions that remain for loan 19
approval. A letter from the lender generated or dated at or prior to mutual acceptance shall not constitute a letter of loan 20
commitment which complies with this paragraph. NWMLS Form 22AR should be used to provide notice of waiver or to 21
transmit the letter of loan commitment. 22
3. **REVIEW OF LETTER OF LOAN COMMITMENT/TERMINATION.** Seller may give notice of Seller's election to terminate 23
this Agreement at any time after the letter of loan commitment is due or received, whichever occurs first. If, within 3 22
days after Seller's notice, Buyer does not waive this financing contingency by notice, this Agreement shall terminate 23
and the Earnest Money shall be refunded to Buyer. NWMLS Form 22AR should be used for the parties' notices. 24
4. **UPDATED LETTERS OF LOAN COMMITMENT.** Without suspending Seller's right to give notice of termination, Seller 25
may request updated letters of loan commitment every 5 days after the date the previous letter of loan commitment was 26
due. 27
5. **EARNEST MONEY.** If Buyer has not waived this financing contingency, and is unable to obtain financing after a good 28
faith effort then, on Buyer's notice, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer 29
after Buyer delivers to Seller written confirmation from Buyer's lender confirming the date Buyer's loan application for 30
the subject property was made, that Buyer possessed sufficient funds to close and the reasons Buyer's application was 31
denied. If Seller terminates this Agreement, the Earnest Money shall be refunded without need for such confirmation 32
from Buyer's lender. 33
6. **INSPECTION.** Seller agrees to permit inspections required by Buyer's lender, including but not limited to structural, 34
pest, heating, plumbing, roof, electrical, septic, and well inspections. Seller is not obligated to pay for such inspections 35
except as otherwise agreed. 36
7. **APPRAISAL LESS THAN SALE PRICE.** If Buyer's lender's appraisal of the value of the Property is less than the 37
Purchase Price, Buyer may, within 3 days after receipt of a copy of lender's appraisal, give notice of Buyer's election 38
to terminate this Agreement unless Seller, within 10 days after receipt of such notice, delivers to Buyer either: 39
(a) (i) If this Agreement is contingent on FHA, VA, or RD financing, a reappraisal or reconsideration of value by the 40
same appraiser, at Seller's expense, in an amount not less than the Purchase Price or (ii) if this Agreement is 41
contingent on non-FHA, non-VA, or non-RD financing, reappraisal, at Seller's expense, by the same appraiser or 42
another appraiser acceptable to the lending institution in an amount not less than the Purchase Price; or 43
(b) Written consent to reduce the selling price to an amount not more than the amount specified in the appraisal or 44
reappraisal, whichever is higher. (Not applicable if this Agreement is conditioned on FHA, VA, or RD financing. 45
FHA, VA, or RD does not permit the Buyer to be obligated to buy if the Seller reduces the Purchase Price to the 46
appraisal value. The Buyer, however, has the option to buy at the reduced price.) 47

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 48
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 49

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

If such reappraisal or consent to reduction of Purchase Price is not so delivered, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. To permit the parties the foregoing times for notices, the Closing Date shall be extended accordingly. Buyer's waiver of this financing contingency constitutes waiver of this paragraph 7.

8. SPECIAL LOAN COST PROVISIONS.

FHA/RD LOAN COSTS. If this sale is contingent on Buyer obtaining an FHA or RD loan, Seller agrees to pay _____ (\$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/RD 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/RD 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 _____ (\$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.

CONVENTIONAL/OTHER LOAN COSTS. Seller agrees to pay up to _____ (\$0.00 if not filled in), which shall be applied to Buyer's loan and settlement costs, prepaids, loan discount, loan fee, interest buy down or financing and closing costs.

9. FHA/VA/RD-APPRAISAL CERTIFICATE. If this Agreement is contingent on Buyer obtaining FHA, VA, or RD 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, VA or RD requirements a written statement by FHA, VA, RD 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 7 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, VA, or RD will insure. FHA, VA, or RD do not warrant the value or the condition of the Property. Buyer should satisfy himself/herself that the price and condition of the Property are acceptable.

10. 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 part of their underwriting decision on loss history reports that show the history of insurance claims or property losses concerning the Property or made by you concerning other properties. At the time you apply for homeowners insurance, most insurance companies will only issue a binder to you. A binder is not an insurance policy and it is not a promise that a policy will issue. It is only a temporary commitment to provide insurance coverage, and insurance companies have additional time after issuing the binder to make a final decision about insurability and the amount of the insurance premium. Therefore, it is important for you to submit an insurance application as early as possible.

INSURANCE CONTINGENCY/APPLICATION. This Agreement is is not (is, if not checked) conditioned upon Buyer obtaining a binder for a standard policy of homeowners or property insurance on the Property at an annual premium not to exceed 1/2 of 1% of the purchase price Buyer is paying for the Property with a deductible not to exceed \$1000, exclusive of all additional declarations and riders (e.g., art, jewelry, earthquake, etc.). 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. This insurance contingency shall be deemed satisfied, unless within _____ days (15 days, if not filled in) after mutual acceptance of this Agreement, Buyer gives notice of inability to obtain a binder on the terms set forth above. If Buyer is unable to obtain 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. This contingency is not waived by a waiver of the financing contingency provided for above. Notices given pursuant to this paragraph may be given on NWMLS Form 90T.

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____

AGENCY DISCLOSURE

Washington State law requires real estate licensees to disclose to all parties to whom the licensee renders real estate brokerage services whether the Licensee represents the Seller (or Lessor), the Buyer (or Lessee), both the Seller/Lessor and Buyer/Lessee, or neither.

1
2
3
4
5

YOU ARE ADVISED THAT THE UNDERSIGNED IS THE AGENT OF THE Buyer/Lessee (select 1) UNLESS OTHERWISE STATED HERE:

THE UNDERSIGNED REPRESENTS: _____

6

THE UNDERSIGNED BUYER/LESSEE OR SELLER/LESSOR ACKNOWLEDGES RECEIPT OF A COPY OF THE PAMPHLET ENTITLED "THE LAW OF REAL ESTATE AGENCY"

7
8

BUYER _____ DATE _____
(Signature)

9

BUYER _____ DATE _____
(Signature)

10

SELLER _____ DATE _____
(Signature)

11

SELLER _____ DATE _____
(Signature)

12

LICENSEE _____
(Print/Type)

13

LICENSEE'S SIGNATURE _____

14

COMPANY NAME AS LICENSED _____
(Print/Type)

15

ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated _____, 200____ 1
between _____ ("Buyer") 2
and Leeward Strategic Properties Onc. ("Seller") 3
concerning 1105 Spring St # Seattle, WA 98104 ("the Property") 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 41

AGENT (COMPANY) _____ 42

BY: _____ 43

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 44
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 45

THE DECATUR, A CONDOMINIUM

**SELLER'S ADDENDUM TO
CONDOMINIUM PURCHASE AND SALE AGREEMENT**

(Use with NWMLS Form 28, **Rev. 1/09**,
(Replaces NWMLS Form 29)

THIS ADDENDUM modifies and amends that certain Condominium Purchase and Sale Agreement (such agreement, as amended hereby, the "PSA") dated _____, 2009, between _____ ("Buyer") and Leeward Strategic Properties, Inc., a Delaware corporation ("Seller"), relating to Unit ____ (the "Unit") of The Decatur, a condominium, created pursuant to the Declaration recorded in King County under Recording No. 20070221002085, as amended (the "Declaration") and the Survey map and Plans recorded in King County under Recording No. _____ (the "Survey Map"). Buyer acknowledges prior receipt of the Public Offering Statement for the Condominium and the governing documents attached thereto (collectively, the "POS"). The date the last fully-signed offer or counteroffer has been received by both Buyer and Seller shall be referred to herein as the date of "**Mutual Acceptance**" and is the date from which many deadlines are measured.

1. OCCUPANCY REPRESENTATION. Buyer hereby represents and warrants that, upon closing, the Unit will be Buyer's (**initial one**):

_____/_____
_____/_____
_____/_____

principal residence (as defined in the U.S. Internal Revenue Treasury Regulation 1.121-1(b));
secondary residence; or
investment property.

Buyer agrees to make the same representation and warranty to any lending institution to which it makes a loan application to purchase the Unit. Buyer acknowledges that Seller is not selling the Unit as an investment vehicle or security, that no security registration has been filed or prospectus prepared for any such sale, and that no representations, expressed or implied exist with respect to the future sale, value or marketability of the Unit.

2. FINANCING AND QUALIFICATION OF BUYER. Buyer has elected as follows (**initial one**):

_____/_____
_____/_____

Buyer's obligations are **not** conditioned upon financing a portion of the Purchase Price
Buyer's obligations **are** conditioned upon financing.

If the PSA is not conditioned on financing, Buyer represents to Seller that Buyer has sufficient funds to close the purchase of the Unit without financing and Buyer shall provide evidence satisfactory to Seller (such as a financial statement) by three (3) days after mutual execution of the PSA that Buyer has sufficient funds to close. If Buyer does not timely provide

Buyer's Initials _____

Buyer's Initials _____

Seller with evidence satisfactory to Seller, Seller may terminate the PSA at any time thereafter by notice to Buyer, in which case the earnest money deposit shall be returned to Buyer.

Unless the PSA is *not* conditioned on financing, Buyer shall, within five (5) days after the date of Mutual Acceptance, provide all financial information requested by Seller's preferred lender, Cobalt Mortgage, whose representative is Mark Everts, phone number (206) 860-0888, Email: mark@markeverts.com, for approval of financing for Buyer's purchase of the Unit, and shall provide evidence of such approval to Seller as soon as it is obtained. If Buyer does not wish to use Seller's preferred lender, then Buyer shall also apply to an institutional lender of Buyer's choice and provide all information requested by that lender within five (5) days of Mutual Acceptance, and Buyer shall notify listing agent of any financing for which Buyer is applying. Buyer shall promptly provide Seller with written evidence of Buyer's approval for financing when Buyer receives such approval. Buyer may terminate the Agreement if Buyer does not obtain approval for financing from either Seller's preferred lender or Buyer's preferred lender; any such election to terminate shall be effected by delivering written notice of termination to Seller not later than fourteen (14) days after Mutual Acceptance (the "Financing Commitment Deadline"). In addition, Seller may terminate the Agreement if Buyer does not provide Seller with written evidence, on or before the Financing Commitment Deadline, of Buyer's approval for financing from both Seller's preferred lender and Buyer's preferred lender; any such election to terminate shall be effected by delivering written notice of termination to Buyer not later than three business days after the Financing Commitment Deadline.

This financing condition and all other conditions to Buyer's purchase shall be deemed satisfied or waived if neither party terminates the Agreement as provided above, and the Earnest Money deposit shall thereafter be nonrefundable. Regardless of whether Buyer has elected to use a lender other than Seller's preferred lender, Buyer must nonetheless provide to Seller written evidence that Buyer is approved for financing from Seller's preferred lender as provided in this Paragraph. Upon termination by Buyer or Seller pursuant to this paragraph 2, the Closing Agent shall return the Earnest Money deposit to Buyer and the parties shall have no further obligations under the PSA.

Buyer expressly authorizes and directs any lender or financial institution to whom Buyer has applied for financing to provide information about the status of such application, including but not limited to information to substantiate Buyer's ongoing qualification for financing, and final disposition of financing for this sale to Seller, Listing Agent and Selling Agent. In addition, Buyer authorizes and directs Selling Agent to provide information to Listing Agent about the status, progress, ongoing qualification for and final disposition of the financing for this sale.

Buyer shall be solely responsible for maintaining any approval for financing until closing. Buyer shall pay all costs associated with obtaining and closing financing, including application and processing fees. Buyer shall not be entitled to terminate the PSA nor shall Seller be responsible if the Lender increases the interest rate, loan fees or otherwise changes the terms of Buyer's loan or if the Lender withdraws or conditions its loan approval for any reason. In addition, Buyer hereby grants Seller permission to review Buyer's application for financing of the Unit, and at Seller's request, Buyer (or Buyer's lender) shall deliver to Seller a copy of

Buyer's Initials _____

Buyer's Initials _____

Buyer's credit report obtained by any lender, or in the alternative, Buyer authorizes and gives permission to Seller to obtain a credit report on Buyer.

3. CLOSING DATE. Buyer acknowledges that it has no right to extend the Closing Date and that time is of the essence with regard to closing and the other deadlines stated in the PSA. In the event Seller fails to deliver the Unit by the Closing Date (as such may be extended by mutual agreement of the parties), Buyer shall have as its sole and exclusive remedy the right to terminate the PSA and receive a return of the Earnest Money deposit.

4. EARNEST MONEY. The Earnest Money in the amount stated in the PSA shall be deposited with Closing Agent in the amount stated in the PSA on the date of Mutual Acceptance. Closing Agent shall deposit the Earnest Money in a non-interest bearing account. Seller may terminate the PSA if Buyer fails to timely deposit the Earnest Money. Buyer and Seller instruct Closing Agent to: (a) provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and licensees at the addresses or fax numbers provided in the PSA; and (b) commence an interpleader action in the Superior Court for King County within thirty (30) days of a party's demand for the Earnest Money (and deduct up to \$250.00 for the cost of filing the interpleader action) unless the parties agree otherwise in writing. This paragraph 4 supersedes Paragraph b of the General Terms of the PSA.

5. BUYER'S ACCESS PRIOR TO CLOSING. Prior to Closing, Buyer shall not have access to the Unit except as approved in Seller's discretion and scheduled with Seller's listing agent. Seller or Seller's agent or representative must accompany Buyer when Buyer inspects or visits the Unit or the interior of the building in which the Unit is located. Only employees and contractors of Seller, acting pursuant to written instructions of Seller, are authorized to work on the Unit prior to Closing.

6. NOISE; VIEWS; NEIGHBORHOOD DEVELOPMENT. Buyer acknowledges that Seller makes no representation or warranty as to any sounds audible within the Unit which may arise from activities in any other unit, any common element of the Condominium, or anywhere outside the Condominium. Buyer further acknowledges that Seller makes no representation or warranty that the view from the Unit, as of the date the PSA is signed or as of closing, will not be obstructed or changed in whole or in any part at any time in the future. Buyer acknowledges that Seller undertakes no obligation to investigate or disclose real estate developments in the area that are possible, planned, permitted or under construction, nor does Seller undertake any duty to protect views. Buyer acknowledges that Seller does not have and does not undertake to have any duty to investigate or disclose any development that is now known to Seller or becomes known to Seller after the PSA is signed, including developments that may involve Seller or a company affiliated with Seller; nor does Seller have or undertake any duty to protect views from the Condominium in connection with such developments. Buyer has not relied and agrees that Buyer will not rely on statements from real estate agents or sales people about future developments or their impact or lack of impact on views. If Buyer desires to investigate pending and future potential developments in the area, information is available from the City of Seattle's Department of Planning and Development and from other sources.

Buyer's Initials _____

Buyer's Initials _____

7. LIMITATION OF WARRANTIES. Buyer acknowledges having been advised that Seller did not build the building in which the Unit is located, nor has Seller performed or contracted for the performance of any construction work thereon other than minor repairs. Buyer further acknowledges that Seller is giving no express warranties to Buyer whatsoever with respect to the Unit, and that accordingly, Seller's warranties are strictly limited to those implied under the Washington Condominium Act, Ch. 64.34 RCW, to the extent applicable to a seller that did not construct or oversee construction or renovation of the Condominium and who is unaffiliated with the original declarant. Buyer's acknowledgment and agreement to the foregoing limitation is a direct and material inducement to Seller's agreement to sell the Unit for the agreed price, and has been relied upon by Seller; and Buyer's acknowledgment and agreement shall be binding upon Buyer in Buyer's capacity as a Unit Owner and, to the extent applicable, an Association Officer and Board member, and shall be binding with respect to both the Unit and the Common Elements and Limited Common Elements (as defined in the Declaration).

8. MAINTENANCE. Buyer agrees to comply with and perform any and all maintenance recommendations provided by Seller or its agents for the Condominium with respect to any appliances, equipment or improvements within the Unit, and all Unit maintenance obligations. The Unit maintenance obligations shall be delivered to Buyer on or before closing. Buyer acknowledges and agrees that Buyer's failure to perform such ongoing maintenance may impair any warranty rights that Buyer might otherwise be entitled to exercise with respect to such appliances, equipment or improvements.

9. NOTICE REGARDING LITIGATION. CHAPTER 64.50 RCW CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT FOR DEFECTIVE CONSTRUCTION AGAINST A "CONSTRUCTION PROFESSIONAL" (AS DEFINED IN SUCH STATUTE) WITH RESPECT TO THE UNIT. FORTY-FIVE DAYS BEFORE YOU FILE YOUR LAWSUIT, YOU MUST DELIVER TO THE CONSTRUCTION PROFESSIONAL A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE AND PROVIDE THE CONSTRUCTION PROFESSIONAL THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY THE CONSTRUCTION PROFESSIONAL. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT YOUR ABILITY TO FILE A LAWSUIT.

10. TITLE INSURANCE AND CLOSING AGENT. Title insurance shall be ordered through First American Title Insurance Company, the escrow department of which shall act as Closing Agent for the Closing, located at 818 Stewart Street, Suite 800, Seattle, WA 98101. The contact information for the Closing Agent is Carrie Gartside, LPO, Ph (206) 615-3008, Email: cgartside@firstam.com. Seller reserves the right to change the title company and the Closing Agent at any time before Closing upon notice to Buyer. Buyer has the right to utilize a different title insurance company, provided, however, that Seller shall not be obligated to pay a higher premium for a Buyer-selected title insurance company than Seller would be required to pay to First American Title Insurance Company. Notwithstanding Paragraph e of the General

Buyer's Initials _____

Buyer's Initials _____

Terms of the PSA, the Title Insurance Company shall issue a standard form Owner's Policy (ALTA 1992). Buyer shall pay one-half of the normal schedule escrow fee. Seller may be entitled to a builder's discount on its portion of the escrow fee.

11. CONDITION OF TITLE. Buyer acknowledges that matters disclosed in the Public Offering Statement do not cause title to the Unit to be unmarketable.

12. UNIT AREA. The Unit areas shown in the recorded Declaration are based on a surveyor's "as built" determination of the boundaries of the Units, determined according to the definition of "Unit boundary" set forth in the Declaration. The "as built" areas may be different from the areas shown on plans, specifications, listing agreements, or advertising brochures for the Condominium.

13. PARKING/STORAGE. If a parking space or storage area is identified in item 4 of the PSA as part of the property that Buyer is acquiring from Seller, then Buyer shall have the exclusive right to use such parking space or storage area, as Limited Common Elements, in accordance with the provisions of the Declaration. Any reference to the location or size of any parking space or storage space in the Survey Map or any addendum or other document is approximate and is not intended to be an exact depiction thereof.

14. ASSESSMENTS; INSURANCE. Buyer shall pay at Closing an amount equal to two (2) months' assessments which will be treated as an initial contribution to the working capital of the Association plus, if assessments have commenced, a pro rata portion of the current month's assessment. If Seller has previously paid such contribution with respect to the Unit, the Buyer's payment shall be reimbursed to Seller following Closing. Buyer acknowledges that the initial level of assessments is based on a budget which is only an estimate of the future expenses of the Association and that the budget and initial level of assessments are subject to change before and after Closing.

Buyer is required to obtain standard owner's condominium insurance for improvements within the Unit, including coverage for liability and personal contents, and shall deliver to the Association at closing a certificate of insurance or other proof that such insurance has been obtained. The amount of such insurance coverage shall be no less than the amount of the Association's insurance deductibles.

15. REAL ESTATE TAXES. Real estate taxes shall be prorated between Seller and Buyer as of Closing.

16. SELLER'S RIGHTS RELATING TO APPOINTMENT OF DIRECTORS. Seller, as Declarant, may retain for the period stated in the Declaration certain rights to appoint the directors of the Association.

17. COMPLETE AGREEMENT; REPRESENTATIONS. There are no other express or implied agreements, promises or representations except as set forth herein or in the POS or in another document signed by Buyer and Seller. Buyer and all agents acknowledge that no agent has the authority to make, or has made, any agreement, promise, or representation on behalf of

Buyer's Initials _____

Buyer's Initials _____

Seller and that Buyer may not rely on any representations or agreements that are not contained in the PSA, including flyers, brochures, websites, renderings, advertisements or listing information.

18. ASSIGNMENT. Buyer may not assign Buyer's rights under the PSA without the prior written consent of Seller, which may be withheld in Seller's sole discretion.

19. RISK OF LOSS. All risks of loss shall be upon the Seller until Closing or earlier occupancy by Buyer.

Buyer's Initials _____

Buyer's Initials _____

20. SURVIVAL OF PROVISIONS. The following provisions of this Addendum shall survive Closing: 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, and 22.

21. ONE BUYER'S SIGNATURE. Any and all amendments, addenda or exhibits to the PSA signed by one Buyer shall be deemed authorized and approved by all persons who have signed the PSA and this Addendum as Buyer.

22. ADDENDUM CONTROLS. The provisions of this Addendum shall control over any conflicting provisions of the PSA or any other existing written agreement between Seller and Buyer regarding the purchase of the Unit.

SELLER:

LEEWARD STRATEGIC PROPERTIES, INC.,
a Delaware corporation

By: _____
Its: _____

BUYER:

