

FILED

SEP 01 2015

SPOKANE COUNTY CLERK

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF SPOKANEQUANAH M. SPENCER and GWEN N.
SPENCER, husband and wife,

Plaintiffs,

v.

SAS OREGON LLC, an Oregon limited liability
company; KCA ADVISORS, INC, a Nevada
Corporation; KEVIN M. CROSBY, an individual;
BRIAN GROCOTT, an individual; JENELLE
POTVIN, an individual; WINDERMERE-REAL
ESTATE/VALLEY, INC., a Washington
Corporation; DON HAY, an individual; MARIE
PENCE, an individual; TOMLINSON-NORTH
INC. d/b/a Coldwell Banker Tomlinson North, a
Washington Corporation,

Defendants.

Cause No. **152035 64-3****COMPLAINT FOR DAMAGES****COMPLAINT FOR DAMAGES**
Page 1KANDRATOWICZ LAW FIRM, PLLC
1414 W GARLAND AVE, SUITE 110
SPOKANE WA 99205
509-328-0172
FAX 509-693-7811

GENERAL ALLEGATIONS

COME NOW the Plaintiffs, Quanah M. Spencer and Gwen N. Spencer, husband and wife, and, by and through their attorney, Aaron J. Kandratowicz of Kandratowicz Law Firm, PLLC, and for their cause of action against the above-named Defendants allege as follows:

I. PARTIES

1.1 The Plaintiffs reside in Spokane County, Washington and have done so at all times relevant hereto.

1.2 Upon information and belief, Defendant SAS Oregon LLC is a foreign limited liability company registered to do business in Washington. At all times material hereto, the Defendants Crosby and Grocott engaged in business individually and/or as SAS Oregon LLC and/or KCA Advisors, Inc.

1.3 Upon information and belief, KCA ADVISORS, INC., a Nevada Corporation, is a governing member of SAS Oregon LLC. Defendant Crosby is the sole officer and owner of KCA Advisors, Inc.

1.4 Upon information and belief, at all times material hereto, the Defendant Potvin engaged in business individually and/or as SAS Oregon LLC and/or KCA Advisors, Inc.

1.5 Upon information and belief, Windermere-Real Estate/Valley, Inc. is a Washington corporation with a principal place of business in Spokane County, Washington licensed and conducting business as a real estate firm.

1.6 Upon information and belief, at all times material hereto, Defendant Hay engaged in business individually and/or as Windermere Real Estate/Valley, Inc. as a real estate agent acting on behalf of a real estate firm to perform real estate agent services.

1.7 Upon information and belief, Tomlinson North Inc. is a Washington Corporation d/b/a Coldwell Banker Tomlinson North with its principal place of business in Spokane County, Washington licensed and conducting business as a real estate firm.

1.8 Upon information and belief, at all times material hereto, Defendant Pence engaged in business individually and/or as Tomlinson North Inc., as a real estate agent acting on behalf of a real estate firm to perform real estate agent services.

II. JURISDICTION AND VENUE

2.1 Jurisdiction is properly vested in the courts of the State of Washington with venue laid in Spokane County, as the incidents serving as the basis of this complaint occurred in the State of Washington, Spokane County.

III. FACTS

3.1 The Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully restated herein.

3.2 On August 29, 2013 Northwest Trustee Services, Inc. conveyed via Trustee Deed to Defendant SAS Oregon LLC the property commonly known as 4311 South Hogan Street, Spokane, Washington 99203.

1 3.3 Upon information and belief, in the following 2-3 months Defendant SAS Oregon, LLC
2 conducted major renovations to the property.

3 3.4 Upon information and belief, the renovations included repairing/replacing the roof of the
4 home, re-flooring the bathrooms, replacing windows, painting the interior and exterior, replacing
5 the faucets and other amenities in the bathrooms, plumbing the bathrooms and the kitchen, as
6 well as renovations in several other rooms and locations of the house.
7

8
9 3.5 All of the renovations were made without first obtaining a permit from Spokane County
10 and several were made in violation of both municipal and county building codes and laws.

11 3.6 At all relevant times, SAS Oregon LLC was not registered as a contractor in the State of
12 Washington.
13

14 3.7 Upon information and belief, at all relevant times no manager or member of SAS Oregon
15 LLC was registered as a contractor in the State of Washington.
16

17 3.8 Upon information and belief, Defendant Pence has represented as a real estate agent SAS
18 Oregon LLC on multiple properties located in Spokane County, Washington.
19

20 3.9 Upon information and belief, Defendant Pence had personal knowledge of SAS Oregon's
21 intentions for the property, i.e. to renovate and resell the property ("flip" the property).
22

23 3.10 Upon information and belief, Defendant Pence had personal knowledge that SAS Oregon
24 was not a registered contractor.

25 3.11 On November 22, 2013, eighty-five (85) days after the house was conveyed to it, SAS
26 Oregon listed the house for sale.
27

1 3.12 Around this time, Mr. and Mrs. Spencer began seeking a new home that would better
2 accommodate their two growing children. To this end, Mr. and Mrs. Spencer contacted
3 Defendant Hay, a licensed real estate agent.

4
5 3.13 After a thorough search, Plaintiffs became interested in the property located at 4311
6 South Hogan Street, Spokane, Washington 99203. The property was listed by Defendant Pence
7 and owned by SAS Oregon LLC.

8
9 3.14 Defendant Hay and the Plaintiffs had discussed that the property was a foreclosure.

10 3.15 Defendant Hay did not inform the Plaintiffs in regard to any additional information or
11 action to be taken in regard to a property that had been in foreclosure and then offered for sale
12 within a few months of such foreclosure.

13
14 3.16 On or about December 12, 2013, the Plaintiffs entered into a purchase and sale agreement
15 with SAS Oregon, LLC as sellers to purchase the property located at 4311 South Hogan,
16 Spokane, WA 99203.

17
18 3.18 Plaintiffs Quanah and Gwen Spencer, both of Native American Heritage, secured a HUD
19 Section 184 home loan to purchase the property.

20
21 3.17 SAS Oregon, LLC made several material misrepresentations in the Seller Disclosure
22 Statement (Exhibit A), including but not limited to:

23
24 3.18.1 Represented that there were no defects in the outdoor sprinkler system, when
25 several defects were diagnosed immediately upon the Plaintiffs taking possession, including a
26

1 broken valve, two broken lines, 14 of 20 heads were broken, and the vacuum breaker was
2 damaged.

3 3.18.2 Represented that there were no defects with the fireplace and chimneys, however,
4 the top mounted damper in the main floor fireplace was severely damaged allowing moisture to
5 drain into the home and creating a significant fire hazard. The ash door was broken, creating a
6 fire hazard and risk to the Plaintiff and their children's safety.

7
8 3.18.3 Represented that the sidewalk and driveways were free from defect. The
9 driveway's concrete was severely damaged, causing water to pool up around the foundation of
10 the house and needed replacement.

11
12 3.18.4 Represented that there are no defects with the heating or cooling systems,
13 however, the air conditioner contained a freon leak and was not functioning properly. There were
14 no heating systems in either of the two bathrooms, the bathroom exhaust fan in the first level
15 bathroom did not function properly and has had to be replaced, and the insulation level was not
16 up to code.

17
18 3.18.5 Represented that there were no environmental concerns, but asbestos has been
19 discovered in multiple locations. There were also several pounds worth of metal objects that
20 included many nails, straight-edged razors, needles, stakes and files, littered across the exterior
21 areas of the home. Further, animal urine and feces were discovered throughout the basement of
22 the house.

1 3.18.6 Represented that there were no plumbing issues. There were plumbing related
2 issues in that plumbing was incorrectly completed in the basement level bathroom, plumbing was
3 incorrectly completed in the kitchen, and the plumbing on the sprinkler system was damaged and
4 faulty.

5
6 3.19 All of the defects listed in paragraph 3.18 and its subparts were known or should
7 reasonably have been known by the seller at the time the disclosure statement was signed.

8
9 3.20 Further, the Seller Disclosure Statement (Exhibit A) avows that there are no other
10 material defects affecting the property, but several additional material defects were immediately
11 discovered upon taking possession of the house.

12
13 3.21 The following material defects were found in the first level bathroom:

14 3.21.1 The bathtub valves were in poor condition and improperly installed and were an
15 improper fit for their intended use.

16
17 3.21.2 The material used to seal the valves was inappropriate for its intended purposes
18 causing water damage in the room.

19
20 3.21.3 Several areas of grout were missing.

21
22 3.21.4 Several areas of caulking were missing.

23 3.21.5 Tiling was installed which covered up the original heat source.

24
25 3.21.6 No new heat source was installed in the bathroom, thus the bathroom contained no
26 heat source.

1 3.21.7 The bathroom exhaust fan was inoperable.

2 3.21.8 The bathtub was painted over with materials unsuitable for use, causing the paint
3 to chip and peel away.
4

5 3.22 No permits were obtained for any of the work done by Defendant SAS Oregon in the first
6 level bathroom, resulting in conditions that are unsafe and are in violation of county and
7 municipal code and laws.
8

9 3.23 The material defects enumerated in 3.18, 3.21, and its subsections caused damage to the
10 property as well as health and safety concerns, resulting in Plaintiffs replacing and /or repairing
11 the defects at their own cost.
12

13 3.24 The basement level bathroom contained the following material defects:
14

15 3.24.1 The shower valves were in poor condition and improperly installed and not
16 appropriate for their intended purpose.
17

18 3.24.2 The material used to seal the valves was inappropriate for its intended purposes
19 causing water damage in the room.
20

21 3.24.3 No shower pan or liner was installed in the shower causing water to leak into an
22 adjacent room.
23

24 3.24.4 The shower drain was not plumbed correctly, causing improper draining of
25 wastewater into the sewer, preventing use of the basement level shower, and water damage to the
26 property that cannot be fully ascertained until a jackhammer is used to repair the faulty
27 plumbing. Contractors used by the Plaintiffs to review the faulty plumbing have stated that a

1 jackhammer would have to be utilized in order to repair the faulty plumbing and installation of
2 the shower in the basement level bathroom.

3 3.24.5 Tiling was installed which covered up the original heat source.
4

5 3.24.6 No new heat source was installed in the bathroom, thus the bathroom contained no
6 heat source.
7

8 3.24.7 A light source in the shower was not wired correctly by an electrician to ensure
9 that such light source was installed to prevent electrical shock. Plaintiffs requested that such
10 work be completed by the Defendant SAS Oregon LLC and Defendant SAS Oregon LLC
11 through its agent Defendant Pence stated that such work did not need to be completed as the light
12 source was in a condition which was safe for its intended use. Contractors used by the Plaintiffs
13 to review the faulty plumbing and electrical work in the bathroom have indicated that the light
14 source presents an electrical shock risk that makes the shower unsafe for its intended use.
15
16

17 3.25 No permits were obtained for any of the work done by Defendant SAS Oregon in the
18 basement level bathroom, resulting in unsafe conditions and is a violation of county and
19 municipal code and laws.
20

21 3.26 The material defects enumerated in paragraph 3.23 and its subsections caused water
22 damage to the property as well as health and safety concerns, resulting in Plaintiffs replacing
23 and/or repairing the defects at their own cost.
24

25 3.27 Defendant SAS Oregon LLC had the roof of the property replaced.
26

27 3.28 Permits were not obtained for the roof replacement.

1 3.29 Knowledge of a roof installed without permits is an item that the Defendants were
2 required to disclose to the Plaintiffs and such action by the Defendants reduced the value of the
3 property without disclosure to the Plaintiffs.

4 3.30 Upon information and belief, all of the repairs, renovations, and other work detailed in
5 the foregoing paragraphs were done by individuals not licensed and bonded as contractors and/or
6 subcontractors in the State of Washington.

7 3.31 Upon information and belief, at all relevant times Defendant Pence had knowledge that
8 the SAS Oregon LLC was not a licensed contractor.

9 3.32 Upon information and belief, at all relevant times Defendant Pence had knowledge that
10 the work performed on the property was not done by licensed contractors or subcontractors.

11 3.33 Upon information and belief, at all relevant times Defendant Pence had knowledge that
12 no permits were obtained for the work performed on the property.

13 3.34 Defendant Pence failed to disclose all such information to Plaintiffs.

14 3.35 Upon information and belief, at all relevant times Defendant Hay had knowledge that the
15 SAS Oregon LLC was not a licensed contractor.

16 3.36 Upon information and belief, at all relevant times Defendant Hay had knowledge that the
17 work performed on the property was not done by licensed contractors or subcontractors.

18 3.37 Upon information and belief, at all relevant times Defendant Hay had knowledge that no
19 permits were obtained for the work performed on the property.

1 3.38 Defendant Hay failed to disclose all such information to Plaintiffs.

2 3.39 After the Purchase and Sale Agreement was signed, upon recommendation from Don
3 Hay, Plaintiffs hired Jeff Johnson, a licensed and bonded home inspector, to do a visual
4 inspection of the property. Upon information and belief, Jeff Johnson is an agent of Stamp of
5 Approval Home Inspection company.
6

7 3.40 This inspection revealed several issues with the property.
8

9 3.41 Plaintiffs requested in the Inspection Response Form 35 and Addendum/Amendment to
10 the Purchase and Sale Agreement that certain repairs be performed. (Exhibit B)
11

12 3.42 The requested modifications/repairs were (Exhibit B):
13

14 1. Place wiring in conduit and make the outlet GCFI protected.

15 2. GFCI outlets to be installed in the garage.

16 3. Cover/protect/repair exposed wiring
17

18 4. Secure the A/C disconnect box.
19

20 5. Install "dielectric unions" where indicated and necessary.
21

22 6. Install GFCI outlet in laundry room/area.

23 7. Light fixture in shower to be "replaced" with appropriate/safe light fixture designed for
24 inside a shower and GFCI outlet installed for safety.
25

26 8. East outlet in dining room to be functioning properly/safely.
27

1 9. North outlet in NE bedroom to be functioning properly/safely.

2 10. South outlet in the east bedroom to be functioning properly/safely.

3 11. South east outlet in the lower northwest bedroom to have proper cover.

4 12. In the closet of the lower northeast bedroom cracked cover plate to be re-placed for
5 safety reasons.

6 13. In lower northeast bedroom correct reverse polarity connection on outlet. Check all
7 outlets in the house for correct "polarity" and grounding.

8 3.43 Upon information and belief, Plaintiffs were advised by Defendants Hay and Pence that
9 the repairs had been completed. Plaintiffs requested Jeff Johnson to conduct a review of the
10 property to ensure that repairs had been completed and Jeff Johnson told Plaintiffs that he had
11 conducted the review and that repairs had been completed. Jeff Johnson failed to conduct the
12 review in the presence of the Plaintiffs as the Plaintiffs had requested and instead had simply told
13 the Plaintiffs through Hay that the review had been completed and that repairs had been
14 completed according to the Plaintiffs' request.

15 3.44 Plaintiffs additionally requested that Jeff Johnson conduct a radon test.

16 3.45 Defendant Hay informed Plaintiffs that the test was conducted and that he had reviewed
17 the results.

18 3.46 Defendants have never been provided the test results and upon information and belief,
19 believe that the test had not been performed.

1 3.47 Prior to closing, Defendant Hay conducted a final walkthrough of the property. During
2 the walkthrough he failed to verify that the requested repairs had been properly completed and
3 failed to verify that Jeff Johnson had actually completed the review.

4
5 3.48 Defendants Hay and Pence represented to Plaintiffs that all the requested repairs had been
6 safely completed.

7
8 3.49 Upon information and belief, Defendant Pence and her spouse have recently purchased
9 property with the intention to "flip" said properties in the area.

10 3.50 Having personally conducted a "flip" transaction, Defendant Pence has or reasonably
11 should have personal knowledge of the laws governing "flip" transactions.
12

13 3.51 On April, 7 2015, SAS Oregon LLC was cited for a violation of RCW 18.27.200(1)(a) as
14 a direct result of the work conducted on the property.
15

16 3.52 Defendant SAS Oregon LLC's failure to adequately and safely perform the renovations
17 resulted in consequential and incidental damages to Plaintiffs, including but not limited to, the
18 cost to correct repairs to bring them up to minimal safety standards, lost wages, loss of
19 consortium, loss of use, and any and all other damages to be proven at trial.
20

21 3.53 Defendant SAS Oregon LLC's failure to disclose that it failed to adequately and safely
22 perform the renovations resulted in consequential and incidental damages to Plaintiffs, including
23 but not limited to, the cost to correct repairs to bring them up to minimal safety standards, lost
24 wages, loss of consortium, loss of use, and any and all other damages to be proven at trial.
25
26
27

1 3.54 Defendants SAS Oregon LLC, KCA Advisor's Inc., Crosby, and Grocott fraudulent
2 misrepresentations on the Seller Disclosure Statement resulted in consequential and incidental
3 damages to Plaintiffs, including but not limited to, the cost to correct repairs to bring them up to
4 minimal safety standards, lost wages, loss of consortium, loss of use, and any and all other
5 damages to be proven at trial.
6

7 3.55 Defendants SAS Oregon LLC, KCA Advisor's Inc., Crosby, and Grocott's fraudulent
8 actions as an unregistered contractor in violation of RCW 18.27 et seq. and the Washington
9 Consumer Protection Act, RCW 19.86 et seq., resulted in consequential and incidental damages
10 to Plaintiffs, including but not limited to, the cost to correct repairs to bring them up to minimal
11 safety standards, lost wages, loss of consortium, loss of use, and any and all other damages to be
12 proven at trial.
13
14

15 3.56 Defendant Pence's failure to disclose her knowledge of the material defects of the
16 property, including the inadequate repairs and unsafe conditions of the property resulted in
17 consequential and incidental damages to Plaintiffs, including but not limited to, the cost to
18 correct repairs to bring them up to minimal safety standards, lost wages, loss of consortium, loss
19 of use, and any and all other damages to be proven at trial.
20

21 3.57 Defendant Pence's failure to disclose her knowledge of the misrepresentations on the
22 Seller Disclosure Statement resulted in consequential and incidental damages to Plaintiffs,
23 including but not limited to, the cost to correct repairs to bring them up to minimal safety
24 standards, lost wages, loss of consortium, loss of use, and any and all other damages to be proven
25 at trial.
26
27

1 3.58 Defendant Pence's failure to disclose her knowledge of SAS Oregon's fraudulent
2 behavior as an unregistered contractor resulted in consequential and incidental damages to
3 Plaintiffs, including but not limited to, the cost to correct repairs to bring them up to minimal
4 safety standards, lost wages, loss of consortium, loss of use, and any and all other damages to be
5 proven at trial.
6

7 3.59 Defendant Hay's failure to disclose his knowledge of the material defects of the property,
8 including the inadequate repairs and unsafe conditions of the property resulted in consequential
9 and incidental damages to Plaintiffs, including but not limited to, the cost to correct repairs to
10 bring them up to minimal safety standards, lost wages, loss of consortium, loss of use, and any
11 and all other damages to be proven at trial.
12
13

14 IV. FIRST CAUSE OF ACTION-VIOLATION OF THE CONSUMER PROTECTION ACT

15 4.1 The Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully
16 restated herein.
17

18 4.2 Defendant SAS Oregon LLC's conduct as alleged above constitutes unfair competition
19 and a violation of RCW 18.27 et seq.;

20
21 4.3 A violation of RCW 18.27 et seq. is deemed to affect the public interest and shall
22 constitute a violation of the Consumer Protection Act, RCW 19.86 et seq.
23

24 4.4 Plaintiffs were injured in their property as alleged above, and Defendant's acts and
25 practices were a proximate cause of injury.
26
27

1 4.5 Defendants conduct as alleged above constitutes unfair competition and a violation of
2 The Unfair Business Practices and Consumer Protection Act, RCW Ch.19.86, et seq. Plaintiffs
3 are entitled to injunctive relief, damages, treble damages, costs and attorneys' fees under the act.
4
5

6 V. SECOND CAUSE OF ACTION-FRAUD
7

8 5.1 The Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully
9 restated herein.
10

11 5.2 Defendants SAS Oregon LLC, KCA Advisors, Inc., Crosby, Grocott, and Potvin
12 fraudulently represented to Plaintiffs in the Seller Disclosure Statement that several items on the
13 property contained no material defects.
14

15 5.3 The representations made by Defendants were in fact false. The true facts were as alleged
16 above.
17

18 5.4 When the Defendants made these representations it knew them to be false, and these
19 representations were made by Defendants with the intent to defraud and deceive Plaintiffs and
20 with the intent to induce Plaintiffs to act in the manner herein alleged.
21

22 5.5 Plaintiffs, at the time these representations were made by Defendants and at the time
23 Plaintiffs took the actions herein alleged, were ignorant of the falsity of Defendants'
24 representations and believed them to be true.
25

26 5.6 In reliance on these representations, Plaintiffs were induced to and did purchase the
27 property. Had Plaintiffs known the actual facts, Plaintiffs would not have taken such action.

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KANDRATOWICZ LAW FIRM, PLLC
1414 W GARLAND AVE, SUITE 110
SPOKANE WA 99205
509-328-0172
FAX 509-693-7811

1 5.7 Plaintiffs' reliance on Defendants' representations was justified because Defendants and
2 Defendants' agents verified that the information was true and correct in the Seller Disclosure
3 Statement.

4
5 5.8 These defects were not and could not have been discovered by a careful, reasonable
6 inspection by Plaintiffs. However, the defects could have been and were likely discovered by the
7 Defendant SAS Oregon LLC when it completed the renovations and repairs to the property.

8
9 5.9 The fraudulent misrepresentations resulted in consequential and incidental damages to
10 Plaintiffs, including but not limited to, the cost to correct repairs to bring the property up to
11 minimal safety standards, lost wages, loss of consortium, loss of use, and any and all other
12 damages to be proven at trial.
13

14 VI. THIRD CAUSE OF ACTION-BREACH OF FIDUCIARY AND STATUTORY DUTY OF
15 DEFENDANT HAY AND WINDERMERE REAL ESTATE
16

17 6.1 The Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully
18 restated herein.
19

20 6.2 Defendant Hay, acting as an agent on behalf of Windermere Real Estate, owed Plaintiffs
21 the non-waivable duty to exercise reasonable skill and care, to deal honestly and in good faith,
22 and to disclose all existing material facts known by the broker or agent and not apparent or
23 readily ascertainable to a party. RCW 18.86.030.
24

25 6.3 Defendant Hay, acting as a buyer's agent owed Plaintiffs the non-waivable duty to be
26 loyal to the buyer by taking no action that is adverse or detrimental to the buyer's interest in a
27

1 transaction, to timely disclose to the buyer any conflicts of interest, and to advise the buyer to
2 seek expert advice on matters relating to the transaction that are beyond the agent's expertise.
3 RCW 18.86.050.

4
5 6.4 Defendant Hay's many failures as alleged above, including but not limited to, his failure
6 to verify that the repairs were safely completed, his failure to provide the radon results or advise
7 Plaintiffs to seek the expertise of another, breached the duty as a broker and a buyer's agent.

8
9 6.5 This breach proximately caused consequential and incidental damages to Plaintiffs,
10 including but not limited to, the cost to correct repairs to bring them up to minimal safety
11 standards, lost wages, loss of consortium, loss of use, and any and all other damages to be proven
12 at trial.

13
14 VII. FOURTH CAUSE OF ACTION – BREACH OF STATUTORY DUTY OF DEFENDANT
15 PENCE AND COLDWELL BANKER TOMLINSON
16

17 7.1 The Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully
18 restated herein.

19
20 7.2 Defendant Pence, acting as an agent on behalf of Coldwell Banker Tomlinson owed
21 Plaintiffs the non-waivable duty to exercise reasonable skill and care, to deal honestly and in
22 good faith, and to disclose all existing material facts known by the broker or agent and not
23 apparent or readily ascertainable to a party. RCW 18.86.030.
24

25 7.3 Defendant Pence's many failures as alleged above, including but not limited to, her
26 failure to verify that the repairs were safely completed prior to asserting that they were
27

1 completed and her failure to disclose her knowledge that SAS Oregon LLC was conducting
2 unpermitted construction without a contractor's license breached her duty owed to Plaintiffs as a
3 broker or agent.

4
5 7.4 This breach proximately caused consequential and incidental damages to Plaintiffs,
6 including but not limited to, the cost to correct repairs to bring them up to minimal safety
7 standards, lost wages, loss of consortium, loss of use, and any and all other damages to be proven
8 at trial.

9
10 VIII. FIFTH CAUSE OF ACTION – VIOLATION OF THE UNFAIR BUSINESS
11 PRACTICES AND CONSUMER PROTECTION ACT

12
13 8.1 The Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully
14 restated herein.

15
16 8.2 Defendants Pence and Coldwell Banker Tomlinson conduct as alleged above constitutes
17 unfair competition and a deceptive act in violation of The Unfair Business Practices and
18 Consumer Protection Act, RCW Ch.19.86, et seq.

19
20 8.3 Defendants multiple and repeated representation of the unlicensed contractor SAS
21 Oregon LLC shows a real and substantial potential for repetition so that there is a likelihood that
22 others have been or will be injured in exactly the same fashion.

23
24 8.4 Plaintiffs are entitled to injunctive relief, damages, treble damages, costs and attorneys' fees
25 under the Act.

WHEREFORE, the Plaintiffs pray for Judgment against Defendants, SAS OREGON LLC, an Oregon limited liability company; KCA ADVISORS, INC, a Nevada Corporation; KEVIN M. CROSBY, an individual; BRIAN GROCOTT, an individual; JENELLE POTVIN, an individual; WINDERMERE-REAL ESTATE/VALLEY, INC., a Washington Corporation; Don Hay, an individual, Marie Pence and Tomlinson North, jointly and severally, as follows:

1. As to Plaintiffs' first cause of action, for damages in such amounts as may be proven at the time of trial, treble damages, costs and attorneys' fees pursuant to RCW Ch. 19.86 et seq..

2. As to the Plaintiffs' second cause of action for fraud, rescission of the Purchase and Sale Agreement, or, in the alternative, for damages arising from Defendants' fraudulent disclosures together with such incidental damages as may be proven due Defendants' actions or omissions.

3. As to Plaintiffs' third cause of action for breach of fiduciary and statutory duty, for damages in such amounts as may be proven due at the time of trial.

4. As to Plaintiffs' third cause of action for breach of statutory duty, for damages in such amounts as may be proven due at the time of trial.

5. As to Plaintiffs' fourth cause of action, for damages in such amounts as may be proven at the time of trial, treble damages, costs and attorneys' fees pursuant to RCW Ch. 19.86 et seq..

6. For costs and attorneys' fees to the extent allowable by law.

7. For such other and further relief as the court deems just and equitable.

Dated this 21 day of August, 2015.

KANDRATOWICZ LAW FIRM, PLLC

By: 
AARON J. KANDRATOWICZ, WSBA #44304
Attorneys for Plaintiff

DocuSign Envelope ID: 69A5375A-EDCC-4C94-9E63-BACD69554CA8

Form 17
Seller Disclosure Statement
Rev. 6/12
Page 1 of 6

SELLER DISCLOSURE STATEMENT! IMPROVED PROPERTY

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Northwest Multiple Listing Service
ALL RIGHTS RESERVED

SELLER: SAS OREGON LLC

(To be used in transfers of improved residential real property, including residential dwellings up to four units, new construction, condominiums not subject to a public offering statement, certain timeshares, and manufactured and mobile homes. See RCW Chapter 64.06 and Section 43.22.432 for further explanations.

INSTRUCTIONS TO THE SELLER

Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property write "NA." If the answer is "yes" to any asterisked (*) item(s), please explain on attached sheets. Please refer to the line number(s) of the question(s) when you provide your explanation(s). For your protection you must date and initial each page of this disclosure statement and each attachment. Delivery of the disclosure statement must occur not later than five (5) business days, unless otherwise agreed, after mutual acceptance of a written purchase and sale agreement between Buyer and Seller.

NOTICE TO THE BUYER

THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT

4311 S Hogan St

CITY Spokane, COUNTY Spokane ("THE PROPERTY")

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

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

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

Seller ☐ is/ ☒ is not occupying the property.

I. SELLER'S DISCLOSURES:

* If you answer "Yes" to a question with an asterisk (*), please explain your answer and attach documents, if available and not otherwise publicly recorded. If necessary, use an attached sheet.

1. TITLE

A. Do you have legal authority to sell the property? If no, please explain. ☒ YES ☐ NO ☐ DON'T KNOW

*B. Is title to the property subject to any of the following?

(1) First right of refusal ☐ YES ☒ NO ☐ DON'T KNOW

(2) Option ☐ YES ☒ NO ☐ DON'T KNOW

(3) Lease or rental agreement ☐ YES ☒ NO ☐ DON'T KNOW

(4) Life estate? ☐ YES ☒ NO ☐ DON'T KNOW

*C. Are there any encroachments, boundary agreements, or boundary disputes? ☐ YES ☒ NO ☐ DON'T KNOW

*D. Is there a private road or easement agreement for access to the property? ☐ YES ☒ NO ☐ DON'T KNOW

*E. Are there any rights-of-way, easements, or access limitations that may affect the Buyer's use of the property? ☐ YES ☒ NO ☐ DON'T KNOW

*F. Are there any written agreements for joint maintenance of an easement or right-of-way? ☐ YES ☒ NO ☐ DON'T KNOW

*G. Is there any study, survey project, or notice that would adversely affect the property? ☐ YES ☒ NO ☐ DON'T KNOW

*H. Are there any pending or existing assessments against the property? ☐ YES ☒ NO ☐ DON'T KNOW

*I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that would affect future construction or remodeling? ☐ YES ☒ NO ☐ DON'T KNOW

*J. Is there a boundary survey for the property? ☐ YES ☒ NO ☐ DON'T KNOW

*K. Are there any covenants, conditions, or restrictions recorded against the property? ☐ YES ☒ NO ☐ DON'T KNOW

PLEASE NOTE: Covenants, conditions, and restrictions which purport to forbid or restrict the conveyance, encumbrance, occupancy, or lease of real property to individuals based on race, creed, color, sex, national origin, familial status, or disability are void, unenforceable, and illegal. RCW 49.60.324.

SELLER'S INITIALS: SP 11/8/2013

DATE:

SELLER'S INITIALS:

DATE:

Tonkinson North 6105 N. Division Spokane, WA 99208
Marie Ponce

Phone: 509.200.9157 Fax: 509.467.4771
Produced with ZipForm3 by ZipLogix 18070 Fittman Mile Road, Fitts, Michigan 48028 www.ziplogix.com

4311 S Hogan

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2. WATER

A. Household Water

(1) The source of water for the property is: ☒ Private or publicly owned water system☐ Private well serving only the subject property * ☐ Other water system*If shared, are there any written agreements? City*(2) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source? ☐ ☒ ☐*(3) Are there any problems or repairs needed? ☐ ☒ ☐(4) During your ownership, has the source provided an adequate year-round supply of potable water? ☒ ☐ ☐

If no, please explain: _____

(5) Are there any water treatment systems for the property? ☐ ☒ ☐If yes, are they: ☐ Leased ☐ Owned(6) Are there any water rights for the property associated with its domestic water supply, such as a water right permit, certificate, or claim? ☐ ☒ ☐(a) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed? ☐ ☒ ☐*(b) If yes, has all or any portion of the water right not been used for five or more successive years? ☐ ☒ ☐*(7) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)? ☐ ☒ ☐

B. Irrigation Water

(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim? ☐ ☒ ☐*(a) If yes, has all or any portion of the water right not been used for five or more successive years? ☐ ☐ ☐*(b) If so, is the certificate available? (If yes, please attach a copy.) ☐ ☐ ☐*(c) If so, has the water right permit, certificate, or claim been assigned, transferred, or changed? ☐ ☐ ☐*(2) Does the property receive irrigation water from a ditch company, irrigation district, or other entity? ☐ ☐ ☐

If so, please identify the entity that supplies water to the property: _____

C. Outdoor Sprinkler System

(1) Is there an outdoor sprinkler system for the property? ☒ ☐ ☐*(2) If yes, are there any defects in the system? ☐ ☒ ☐*(3) If yes, is the sprinkler system connected to irrigation water? ☐ ☒ ☐

3. SEWER/ON-SITE SEWAGE SYSTEM

A. The property is served by:

☒ Public sewer system ☐ On-site sewage system (including pipes, tanks, drainfields, and all other component parts)☐ Other disposal systemPlease describe: CityB. If public sewer system service is available to the property, is the house connected to the sewer main? ☒ ☐ ☐

If no, please explain: _____

*C. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service? ☐ ☒ ☐

D. If the property is connected to an on-site sewage system:

*(1) Was a permit issued for its construction, and was it approved by the local health department or district following its construction? ☐ ☐ ☐

(2) When was it last pumped? _____

*(3) Are there any defects in the operation of the on-site sewage system? ☐ ☐ ☐

(4) When was it last inspected? _____

By whom: _____

(5) For how many bedrooms was the on-site sewage system approved? _____ bedrooms

SELLER'S INITIALS: SEL 11/8/2013

DATE: _____

SELLER'S INITIALS: _____

DATE: _____

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- | | YES | NO | DON'T KNOW | |
|--|-------------------------------------|-------------------------------------|--------------------------|-----|
| E. Are all plumbing fixtures, including laundry drain, connected to the sewered/on-site sewage system? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 112 |
| If no, please explain: | | | | 113 |
| *F. Have there been any changes or repairs to the on-site sewage system? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 114 |
| G. Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 115 |
| If no, please explain: | | | | 116 |
| *H. Does the on-site sewage system require monitoring and maintenance services more frequently than once a year? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 117 |
| | | | | 118 |
| | | | | 119 |
| | | | | 120 |
| | | | | 121 |

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

4. STRUCTURAL

- | | | | | |
|--|-------------------------------------|-------------------------------------|--------------------------|-----|
| *A. Has the roof leaked within the last 5 years? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 125 |
| *B. Has the basement flooded or leaked? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 126 |
| *C. Have there been any conversions, additions or remodeling? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 127 |
| *(1) If yes, were all building permits obtained? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 128 |
| *(2) If yes, were all final inspections obtained? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 129 |
| D. Do you know the age of the house? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 130 |
| If yes, year of original construction: <u>1955</u> | | | | 131 |
| *E. Has there been any settling, slippage, or sliding of the property or its improvements? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 132 |
| *F. Are there any defects with the following: (If yes, please check applicable items and explain.) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 133 |
| <input type="checkbox"/> Foundations <input type="checkbox"/> Decks <input type="checkbox"/> Exterior Walls | | | | 134 |
| <input type="checkbox"/> Chimneys <input type="checkbox"/> Interior Walls <input type="checkbox"/> Fire Alarms | | | | 135 |
| <input type="checkbox"/> Doors <input type="checkbox"/> Windows <input type="checkbox"/> Patio | | | | 136 |
| <input type="checkbox"/> Ceilings <input type="checkbox"/> Slab Floors <input type="checkbox"/> Driveways | | | | 137 |
| <input type="checkbox"/> Pools <input type="checkbox"/> Hot Tub <input type="checkbox"/> Sauna | | | | 138 |
| <input type="checkbox"/> Sidewalks <input type="checkbox"/> Outbuildings <input type="checkbox"/> Fireplaces | | | | 139 |
| <input type="checkbox"/> Garage Floors <input type="checkbox"/> Walkways <input type="checkbox"/> Wood Stoves | | | | 140 |
| <input type="checkbox"/> Siding <input type="checkbox"/> Other | | | | 141 |
| *G. Was a structural pest or "whole house" inspection done? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 142 |
| If yes, when and by whom was the inspection completed? | | | | 143 |
| H. During your ownership, has the property had any wood destroying organism or pest infestation? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 144 |
| I. Is the attic insulated? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 145 |
| J. Is the basement insulated? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 146 |

5. SYSTEMS AND FIXTURES

- | | | | | |
|--|--------------------------|-------------------------------------|--------------------------|-----|
| *A. If any of the following systems or fixtures are included with the transfer, are there any defects? | | | | 147 |
| If yes, please explain: | | | | 148 |
| Electrical system, including wiring, switches, outlets, and service | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 149 |
| Plumbing system, including pipes, faucets, fixtures, and toilets | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 150 |
| Hot water tank | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 151 |
| Garbage disposal | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 152 |
| Appliances | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 153 |
| Sump pump | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 154 |
| Heating and cooling systems | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 155 |
| Security system <input type="checkbox"/> Owned <input type="checkbox"/> Leased | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 156 |
| Other | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 157 |
| *B. If any of the following fixtures or property is included with the transfer, are they leased? | | | | 158 |
| (If yes, please attach copy of lease.) | | | | 159 |
| Security System | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 160 |
| Tanks (type): | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 161 |
| Satellite dish | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 162 |
| Other: | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 163 |

SELLER'S INITIALS: SM 11/8/2013 DATE: _____ SELLER'S INITIALS: _____ DATE: _____

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	YES	NO	DON'T KNOW	
*C. Are any of the following kinds of wood burning appliances present at the property?				167
(1) Woodstove?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	168
(2) Fireplace insert?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	169
(3) Pellet stove?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	170
(4) Fireplace?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	171
If yes, are all of the (1) woodstoves or (2) fireplace inserts certified by the U.S. Environmental Protection Agency as clean burning appliances to improve air quality and public health?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	172
D. Is the property located within a city, county, or district or within a department of natural resources fire protection zone that provides fire protection services?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	173
E. Is the property equipped with carbon monoxide alarms? (Note: Pursuant to RCW 19.27.530, Seller must equip the residence with carbon monoxide alarms as required by the state building code.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	174
F. Is the property equipped with smoke alarms?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	175
6. HOMEOWNERS' ASSOCIATION/COMMON INTERESTS				176
A. Is there a Homeowners' Association?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	177
Name of Association and contact information for an officer, director, employee, or other authorized agent, if any, who may provide the association's financial statements, minutes, bylaws, fining policy, and other information that is not publicly available:				178
B. Are there regular periodic assessments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	179
\$ _____ per <input type="checkbox"/> month <input type="checkbox"/> year				180
<input type="checkbox"/> Other:				181
*C. Are there any pending special assessments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	182
*D. Are there any shared "common areas" or any joint maintenance agreements (facilities such as walls, fences, landscaping, pools, tennis courts, walkways, or other areas co-owned in undivided interest with others)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	183
7. ENVIRONMENTAL				184
*A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	185
*B. Does any part of the property contain fill dirt, waste, or other fill material?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	186
*C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	187
D. Are there any shorelines, wetlands, floodplains, or critical areas on the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	188
*E. Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	189
*F. Has the property been used for commercial or industrial purposes?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	190
*G. Is there any soil or groundwater contamination?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	191
*H. Are there transmission poles or other electrical utility equipment installed, maintained, or buried on the property that do not provide utility service to the structures on the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	192
*I. Has the property been used as a legal or illegal dumping site?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	193
*J. Has the property been used as an illegal drug manufacturing site?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	194
*K. Are there any radio towers in the area that cause interference with cellular telephone reception?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	195
8. LEAD BASED PAINT (Applicable if the house was built before 1978.)				196
A. Presence of lead-based paint and/or lead-based paint hazards (check one below):				197
<input type="checkbox"/> Known lead-based paint and/or lead-based paint hazards are present in the housing (explain):				198
<input checked="" type="checkbox"/> Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.				199
B. Records and reports available to the Seller (check one below):				200
<input type="checkbox"/> Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).				201
<input checked="" type="checkbox"/> Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.				202
9. MANUFACTURED AND MOBILE HOMES				203
If the property includes a manufactured or mobile home:				204
*A. Did you make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	205
If yes, please describe the alterations:				206
*B. Did any previous owner make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	207
*C. If alterations were made, were permits or variances for these alterations obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	208

SELLER'S INITIALS SA 11/8/2013 DATE: _____ SELLER'S INITIALS: _____ DATE: _____
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10. FULL DISCLOSURE BY SELLERS**A. Other conditions or defects:**

*Are there any other existing material defects affecting the property that a prospective buyer should know about? ☐ YES ☒ NO ☐ DONT KNOW

B. Verification

The foregoing answers and attached explanations (if any) are complete and correct to the best of Seller's knowledge and Seller has received a copy hereof. Seller agrees to defend, indemnify and hold real estate licensees harmless from and against any and all claims that the above information is inaccurate. Seller authorizes real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.

Date: _____
Seller: SIS OREGON LLC 11/8/2013

Date: _____
Seller: _____

NOTICES TO THE BUYER
SEX OFFENDER REGISTRATION

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

PROXIMITY TO FARMING

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

II. BUYER'S ACKNOWLEDGEMENT

Buyer hereby acknowledges that:

- Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation.
- The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party.
- Buyer acknowledges that, pursuant to RCW 64.06.050 (2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information.
- This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.
- Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature(s).
- If the house was built prior to 1978, Buyer acknowledges receipt of the pamphlet *Protect Your Family From Lead in Your Home*.

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

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

DATE: 12/12/13 DATE: 12/12/13
BUYER: [Signature] BUYER: [Signature]

BUYER'S WAIVER OF RIGHT TO REVOKE OFFER

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

DATE: _____ DATE: _____
BUYER: _____ BUYER: _____

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

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

DATE: _____ DATE: _____
BUYER: _____ BUYER: _____

If the answer is "Yes" to any asterisked (*) items, please explain below (use additional sheets if necessary). Please refer to the line number(s) of the question(s).

SELLER'S INITIALS: SIS 11/8/2013 DATE: _____ SELLER'S INITIALS: _____ DATE: _____

Form 35R
Inspection Response for Form 35
Rev. 7 08
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INSPECTION RESPONSE FOR FORM 35

The following is part of the Purchase and Sale Agreement dated December 12, 2013 ("Agreement")
between Quanah Spencer, Gwen Spencer ("Buyer")
and SAS Oregon LLC ("Seller")
concerning 4311 S Hogan St., Spokane, WA 99203 ("the Property").

I. BUYER'S RESPONSE OR REQUEST FOR REPAIRS OR MODIFICATION.

- ☐ Buyer's inspection of the Property is approved and the inspection contingency is satisfied.*
- ☐ 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(b) of Form 35.*
- ☒ Buyer requests the following modifications and/or repairs. If Seller agrees to these modifications or repairs, the inspection contingency shall be deemed satisfied.**

Please see attached Addendum 34 and the relevant home inspection pages for the buyer's requests for modifications and repairs. All work to be performed by licensed and bonded contractors. Invoices for services performed will be presented to buyer prior to closing. All repairs and modifications are at the seller's expense.

DocuSigned by:

Quanah Spencer

12/22/2013

Date

Buyer 48808543495484

DocuSigned by:

Gwen Spencer

12/22/2013

Date

Buyer 012AC4FF85CF4EC

If Buyer requests modifications and/or repairs, this Form 35R and any other addenda or notice pertaining to the modifications and/or repairs and amendment to the Agreement related to or resulting from the request for modifications and/or repairs shall become a part of the Agreement.

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

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

- ☐ Seller agrees to all of the modifications or repairs in Buyer's request for modification or repair. The inspection contingency is satisfied, the parties agree to proceed to Closing as provided in the Agreement, and Buyer's reply, below, is not necessary.**
- ☐ Seller offers to repair only the following conditions:**

☐ Seller rejects all proposals by Buyer.*

☐ Seller rejects all proposals by Buyer, but proposes the following alternative modifications or repairs:**

Seller _____ Date _____ Seller _____ Date _____

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

- ☐ Buyer accepts Seller's response and agrees to proceed to Closing as provided in the Agreement.**
- ☐ Buyer rejects Seller's response. Buyer disapproves of the inspection and this Agreement is terminated. The Earnest Money shall be refunded to Buyer.*
- ☐ Buyer rejects Seller's response, but offers the attached alternative proposal for modification or repair. 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(c)(ii) of the inspection contingency (Form 35) **

Buyer _____ Date _____ Buyer _____ Date _____

* This is a notice, which requires only one Buyer's or one Seller's signature

** This is not a notice and requires all Buyer's or Seller's signatures

Form 34
Addendum/Amendment to P&S
Rev. 7-10
Page 1 of 1

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ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated December 12, 2013 1
between Quannah Spencer, Gwen Spencer ("Buyer") 2
and SAS Oregon LLC ("Seller") 3
concerning 4311 S Hogan St., Spokane, WA 99203 (the "Property"). 4
IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS: On the attached home 5
inspection pages the items for repair and or modification are represented by 6
an "*" and are also numbered. 7
*1, place wiring in conduit and make the outlet GFCI protected. 8
*2, GFCI outlets to be installed in the garage. 9
*3, cover/protect/repair exposed wiring. 10
*4, secure the A/C disconnect box. 11
*5, install "dielectric unions" where indicated and necessary. 12
*6, install GFCI outlet in laundry room/area. 13
*7, light fixture in shower to be "replaced" with an appropriate/safe light 14
fixture designed for inside a shower and GFCI outlet installed for safety. 15
*8, east outlet in dining room to be functioning properly/safely. 16
*9, north outlet in NE bedroom to be functioning properly/safely. 17
*10, south outlet in the east bedroom to be functioning properly/safely. 18
*11, south east outlet in lower northwest bedroom to have proper cover. 19
*12, in the closet of the lower north east bedroom cracked cover plate to be 20
replaced for safety reasons. 21
*13, in lower north east bedroom correct reverse polarity connection on 22
outlet. Check all outlets in the house for correct "polarity" and 23
grounding. 24
25
26
27
28
29
30

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 31

Initials: BUYER [Signature] Date: 12/22/2013 SELLER: _____ Date: _____
BUYER [Signature] Date: 12/22/2013 SELLER: _____ Date: _____

Windermere Real Estate Valley, Inc. 15812 East Indiana Avenue Spokane Valley, WA 99216
Phone: 509.624.3644 Fax: _____ Don Hay

Spencer Hogan St

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Aaron J. Kandraticz
Kandraticz Law Firm, PLLC
1414 W. Garland Ave, Suite 110
Spokane, WA 99205
Phone: (509) 328-0172
Fax: 509-693-7811
ajklawfirm@gmail.com

FILED

SEP 01 2015

SPOKANE COUNTY CLERK

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF SPOKANE

QUANAH M. SPENCER and GWEN N.
SPENCER, husband and wife,

Plaintiffs,

v.

SAS OREGON LLC, an Oregon limited liability
company; KCA ADVISORS, INC, a Nevada
Corporation; KEVIN M. CROSBY, an individual;
BRIAN GROCOTT, an individual; JENELLE
POTVIN, an individual; WINDERMERE-REAL
ESTATE/VALLEY, INC., a Washington
Corporation; DON HAY, an individual; MARIE
PENCE, an individual; Tomlinson-North, a
Washington Corporation,

Defendants.

Cause No **152035 64-3****SUMMONS (20 day)**

TO THE DEFENDANT: A lawsuit has been started against you in the above entitled
court by QUANAH M. SPENCER and GWEN N. SPENCER, husband and wife, plaintiffs.
Plaintiffs' claims are stated in the written complaint, a copy of which is served upon you with
this summons.

SUMMONS (20 DAY)- 1

KANDRATICZ LAW FIRM, PLLC
1414 W GARLAND AVE, SUITE 110
SPOKANE WA 99205
509-328-0172
FAX 509-693-7811

1 In order to defend against this lawsuit, you must respond to the complaint by stating your
2 defense in writing, and by serving a copy upon the person signing this summons within 20 days
3 after the service of this summons, excluding the day of service, or a default judgment may be
4 entered against you without notice. A default judgment is one where plaintiff is entitled to what
5 he asks for because you have not responded. If you serve a notice of appearance on the
6 undersigned person, you are entitled to notice before a default judgment may be entered.
7

8 You may demand that the plaintiffs file this lawsuit with the court. If you do so, the
9 demand must be in writing and must be served upon the person signing this summons. Within 14
10 days after you serve the demand, the plaintiffs must file this lawsuit with the court, or the service
11 on you of this summons and complaint will be void.
12

13 If you wish to seek the advice of an attorney in this matter, you should do so promptly so
14 that your written response, if any, may be served on time.
15

16 This summons is issued pursuant to rule 4 of the Superior Court Civil Rules of the State
17 of Washington.
18

19 DATED this 21 day of August, 2015.
20

21 **KANDRATOWICZ LAW FIRM, PLLC**

22
23
24 By: 
25 AARON J. KANDRATOWICZ, WSBA #44304
Attorneys for Plaintiff

26 SUMMONS (20 DAY)- 2
27
28

KANDRATOWICZ LAW FIRM, PLLC
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SPOKANE WA 99205
509-328-0172
FAX 509-693-7811