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KING COUNTY
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CASE NUMBER: 14-2-13149-6 SEA

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON

IN AND FOR THE COUNTY OF KING

JESSICA WUBBELS,

Plaintiff,

v.

WINDERMERE REAL ESTATE/BELLEVUE
COMMONS, INC., a Washington State
corporation; KENNY PLEASANT,
individually and his marital community; SEAN
STEWART and MARGARAET STEWART,
husband and wife,

Defendants.

NO. 14-2-13149-6 SEA

DEFENDANTS WINDERMERE REAL
ESTATE/BELLEVUE COMMONS,
INC. AND KENNY PLEASANT'S
ANSWER TO COMPLAINT,
AFFIRMATIVE DEFENSES AND
CROSS CLAIM FOR INDEMNITY

COMES NOW Defendants Windermere Real Estate/Bellevue Commons, Inc., and Kenny Pleasant by and through their attorney, Lars Neste, of Demco Law Firm, P.S., and answers the Plaintiff's Complaint. Paragraph numbers correspond to those of the Complaint. "Insufficient knowledge" is an abbreviation for "responding Defendants have insufficient knowledge and information upon which to form an answer and therefore denies."

I. ANSWER

1. Insufficient knowledge.
2. Admit.
3. Admit.
4. Insufficient knowledge.

DEFENDANTS WINDERMERE REAL ESTATE/BELLEVUE COMMONS,
INC. AND KENNY PLEASANT'S ANSWER TO COMPLAINT,
AFFIRMATIVE DEFENSES AND CROSS CLAIM FOR INDEMNITY - 1

DEMCO LAW FIRM, P.S.

5224 WILSON AVE. S., SUITE 200
SEATTLE, WASHINGTON 98118
(206) 203-6000
FAX: (206) 203-6001

1 5. Admit.

2 6. Admit that the Plaintiff purchased the House from Defendant Sean Stewart in the
3 spring of 2012 for \$460,000.00. Insufficient knowledge as to whether Defendant Sean Stewart is
4 a real estate investor who planned to remodel the House and “flip it” to a new owner. Admit that
5 Defendant Sean Stewart did not obtain necessary permits and inspections to remodel the House,
6 but Defendants Windermere Real Estate/Bellevue Commons, Inc. and Kenny Pleasant did not
7 know that Defendant Sean Stewart had failed to obtain the necessary permits and inspections
8 until after the NOV was faxed to Defendant Kenny Pleasant.

9 7. Admit that Defendant Sean Stewart listed the House with Defendant Windermere
10 Real Estate/Bellevue Commons, Inc. Admit that Defendant Kenny Pleasant was the listing and
11 selling broker. Deny remaining allegations.

12 8. Admit.

13 9. Admit.

14 10. Admit that the NOV stated that Defendant Sean Stewart was required to take the
15 measures listed as (a)-(c) in paragraph 10 of Plaintiff’s Complaint or in the alternative, “remove
16 any and all work performed without a permit and call building inspector Jeff Krieg (206-694-
17 5873) for an inspection.”

18 11. Admit the first sentence. Admit that Defendant Kenny Pleasant was faxed the
19 NOV. Admit that Defendant Kenny Pleasant called Victoria Simpson because he did not know
20 what the NOV meant or what was required. Deny the remaining allegations.

21 12. Admit.

22 13. Insufficient knowledge, to the extent that a response is required, Defendants deny
23 the allegations.

24 14. No response is required, to the extent that a response is required, Defendants deny
25 the allegations.

26 15. Deny.

7. Fault of Peter Mahowald;
8. Fault of Defendant Sean Stewart;
9. Spoilation of evidence;
10. RCW 18.86.030(1)(d) and RCW 18.86.030 (2);
11. RCW 64.06.050(2).

III. CROSS-CLAIMS

BY WAY OF CROSS-CLAIMS, Defendants Windermere Real Estate/Bellevue Commons, Inc. and Kenny Pleasant further answer's Plaintiff's complaint by way of cross-claims against Defendant Sean Stewart:

A. First Cross-Claim: Contractual Indemnity against Defendant Sean Stewart

1. The facts giving rise to Defendant Windermere Real Estate/Bellevue Commons, Inc. and Kenny Pleasant's cross-claims occurred in King County, Washington. This court has personal and subject matter jurisdiction for these cross-claims and venue is appropriate.

2. Defendant Sean Stewart and Defendants Windermere Real Estate/Bellevue Commons, Inc. and Kenny Pleasant executed an Exclusive Listing Agreement dated January 16, 2012 (the "Listing Agreement"), which is attached hereto as **Exhibit "1"**.

3. The Listing Agreement included an indemnity provision whereby Defendant Sean Stewart agreed to indemnify Defendants Windermere Real Estate/Bellevue Commons Inc. and Kenny Pleasant against any claims related to information provided by Defendant Sean Stewart on the Seller Disclosure Statement, commonly known as the Form 17 (the "Form 17"), which is attached hereto as **Exhibit "2"**.

4. Defendant Sean Stewart inaccurately filled out section 4c of the Form 17 with respect to whether the House had been remodeled, and if so, whether permits had been obtained. Defendant Sean Stewart's inaccuracies form the basis of Plaintiff's claims against Defendants Windermere Real Estate/Bellevue Commons Inc. and Kenny Pleasant. As a result, Defendant Sean Stewart must indemnify Defendants Windermere Real Estate/ Bellevue Commons Inc. and

1 Kenny Pleasant from Plaintiffs' claims pursuant to the Listing Agreement, including attorneys'
2 fees and costs.

3 **B. Second Cross-Claim: Indemnity & Contribution against Sean and Margaræt Stewart**

4 1. Under RCW 4.22.030, Defendants Windermere Real Estate/Bellevue Commons,
5 Inc., Kenny Pleasant and Defendants Sean Stewart and Margaræt Stewart are jointly and
6 severally liable for Plaintiff's indivisible claim for her alleged injury.

7 2. Defendants Sean Stewart and Margaræt Stewart are comparatively liable for the
8 Plaintiff's alleged injury by actively concealing that the NOV had not been resolved prior to May
9 8, 2012 from Defendants Windermere Real Estate/ Bellevue Commons, Inc. and Kenny Pleasant.

10 3. Pursuant to RCW 4.22.040, Defendants Windermere Real Estate/Bellevue
11 Commons Inc. and Kenny Pleasant are entitled to indemnity & contribution, the amount of
12 which to be determined at trial.

13 **IV. RESERVATION OF RIGHTS**

14 Defendants Windermere Real Estate/Bellevue Commons and Kenny Pleasant expressly
15 reserve their right to plead further answer, affirmative defenses, counterclaims, cross-claims
16 and/or third-party claims, as investigation and discovery may warrant.

17 **V. RELIEF REQUESTED**

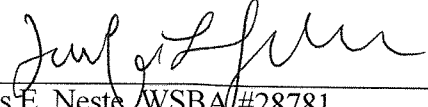
18 WHEREFORE Defendants Windermere Real Estate/Bellevue Commons and Kenny
19 Pleasant pray for relief as follows:

- 20 1. That the court dismisses Plaintiff's claims, with prejudice, against Defendants
21 Windermere Real Estate/Bellevue Commons, Inc. and Kenny Pleasant.
- 22 2. A finding that Defendant Sean Stewart must indemnify and hold harmless
23 Defendants Windermere Real Estate/Bellevue Commons, Inc. and Kenny Pleasant
24 against the Plaintiff's claims alleged in her Complaint pursuant to the Listing
25 Agreement;
26

- 1 3. Defendants Windermere Real Estate/Bellevue Commons, Inc. and Kenny Pleasant
2 are indemnified and entitled to contribution pursuant to RCW 4.22;
3 4. Defendants Windermere Real Estate/Bellevue Commons, Inc. and Kenny Pleasant
4 be awarded attorney fees and costs as allowed by law and the Listing Agreement;
5 and
6 5. Such other relief as the court deems equitable and just.

7
8 DATED this 6th day of June, 2014.
9

10
11 DEMCO LAW FIRM, P.S.

12 By 
13 Lars E. Nestor, WSBA #28781

14 Jennifer L. Johnson, WSBA #45588
15 Attorneys for Defendants Windermere Real
16 Estate/ Bellevue Commons, Inc. and Kenny
17 Pleasant
18
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EXHIBIT 1

Form 1A
Exclusive Sale
Rev. 8/11
Page 1 of 2

EXCLUSIVE SALE AND LISTING AGREEMENT

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Sean Stewart ("Seller") 1
hereby grants to Windermere Bellevue Commons, ("Real Estate Firm" or "Firm") 2
from date hereof until midnight of January 16, 2013 ("Listing Term"), the sole and exclusive right 3
to submit offers to purchase, and to receipt for deposits in connection therewith, the real property ("the Property") 4
commonly known as 5139 S Mead St 5
in the City of Seattle, County of King, State of Washington, Zip 98101; 6
to be listed at \$ 479,900.00 and legally described as: LOT 00015, BLOCK 2, 7
DIVISION _____, VOL _____, PAGE _____ 8
_____ 9

1. **DEFINITIONS.** For purposes of this Agreement: (a) "MLS" means the Northwest Multiple Listing Service; and (b) "sell" 10
includes a contract to sell; an exchange or contract to exchange; an option to purchase; and/or a lease with option to 11
purchase. 12

2. **AGENCY/DUAL AGENCY.** Seller authorizes Firm to appoint Kenny Pleasant 13
as Seller's Listing Broker. This Agreement creates an agency relationship with Listing Broker and any of Firm's brokers 14
who supervise Listing Broker's performance as Seller's agent ("Supervising Broker"). No other brokers affiliated with 15
Firm are agents of Seller, except to the extent that Firm, in its discretion, appoints other brokers to act on Seller's behalf 16
as and when needed. 17

If the Property is sold to a buyer represented by one of Firm's brokers other than Listing Broker ("Buyer's Broker"), 18
Seller consents to any Supervising Broker, who also supervises Buyer's Broker, acting as a dual agent. If the Property 19
is sold to a buyer who Listing Broker also represents, Seller consents to Listing Broker and Supervising Broker acting as 20
dual agents. Seller acknowledges receipt of the pamphlet entitled "The Law of Real Estate Agency." 21

If any of Firm's brokers act as a dual agent, Firm shall be entitled to the entire commission payable under this 22
Agreement plus any additional compensation Firm may have negotiated with the buyer. 23

3. **COMMISSION.** If (a) Firm procures a buyer on the terms in this Agreement, or on other terms acceptable to Seller; or 24
(b) Seller directly or indirectly or through any person or entity other than Firm, during the Listing Term hereof, sells the 25
Property; and Seller closes the sale of the Property or defaults under an agreement to sell the Property, Seller will pay 26
Firm a commission of (fill in one and strike the other) 5 % of the sales price, or \$ _____ 27
("Total Commission"). From the Total Commission, Firm will offer a cooperating member of MLS representing a buyer 28
("Selling Firm") a commission of (fill in one and strike the other) 3 % of the sales price, or \$ _____ 29
Further, if Seller shall, within six months after the expiration of the Listing Term, sell the Property to any person to 30
whose attention it was brought through the signs, advertising or other action of Firm, or on information secured directly 31
or indirectly from or through Firm, during the Listing Term, Seller will pay Firm the above commission. Provided, that if 32
Seller pays a commission to a member of MLS or a cooperating MLS in conjunction with a sale, the amount of 33
commission payable to Firm shall be reduced by the amount paid to such other member(s). Provided further, that if 34
Seller cancels this Agreement without legal cause, Seller may be liable for damages incurred by Firm as a result of such 35
cancellation, regardless of whether Seller pays a commission to another MLS member. Selling Firm is an intended third 36
party beneficiary of this Agreement. 37

4. **NO DISTRESSED HOME CONVEYANCE.** Firm will not represent or assist Seller in a transaction that is a "Distressed 38
Home Conveyance" as defined by Chapter 61.34 RCW unless otherwise agreed in writing. A "Distressed Home 39
Conveyance" is a transaction where a buyer purchases property from a "Distressed Home-owner" (defined by Chapter 40
61.34 RCW), allows the Distressed Homeowner to continue to occupy the property, and promises to convey the 41
property back to the Distressed Homeowner or promises the Distressed Homeowner an interest in, or portion of, the 42
proceeds from a resale of the property. 43

5. **KEYBOX.** Firm is authorized to install a keybox on the Property. Such keybox may be opened by a master key held by 44
members of MLS and their brokers. A master key also may be held by affiliated third parties such as inspectors and 45
appraisers who cannot have access to the Property without Firm's prior approval which will not be given without Firm 46
first making reasonable efforts to obtain Seller's approval. 47

Seller

Seller

Form 1A
Exclusive Sale
Rev. 8/11
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EXCLUSIVE SALE AND LISTING AGREEMENT
Continued

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6. **SELLER'S WARRANTIES AND REPRESENTATIONS.** Seller warrants that Seller has the right to sell the Property on the terms herein and that the Property information on the attached additional pages to this Agreement is correct. Further, Seller represents that to the best of Seller's knowledge, there are no structures or boundary indicators that either encroach on adjacent property or on the Property. Seller authorizes Firm to provide the information in this Agreement and the attached additional pages to prospective buyers and to other cooperating members of MLS who do not represent the Seller and, in some instances, may represent the buyer. Seller agrees to indemnify and hold Firm and other members of MLS harmless in the event the foregoing warranties and representations are incorrect.
7. **CLOSING COSTS.** Seller shall furnish and pay for a buyer's policy of title insurance showing marketable title to the Property. Seller shall pay real estate excise tax and one-half of any escrow fees or such portion of escrow fees and any other fees or charges as provided by law in the case of a FHA or VA financed sale. Rent, taxes, interest, reserves, assumed encumbrances, homeowner fees and insurance are to be prorated between Seller and the buyer as of the date of closing.
8. **MULTIPLE LISTING SERVICE.** Firm shall cause this listing to be published by MLS. Seller authorizes Firm and MLS to distribute the Property information on the attached additional pages to third parties that provide services to Firm and other members of MLS. Seller authorizes Firm to submit photographs of the Property to MLS. Seller authorizes Firm and MLS to (a) distribute the photographs to other members of MLS and their affiliates for public display; (b) distribute the photographs to third parties providing services to Firm and other members of MLS; and (c) publish the photographs in the MLS systems. This authorization shall survive the termination of this Agreement. Firm is authorized to report the sale of the Property (including price and all terms) to MLS and to its members, financial institutions, appraisers, and others related to the sale. Firm may refer this listing to any other cooperating multiple listing service at Firm's discretion. Firm shall cooperate with all other members of MLS, or of a multiple listing service to which this listing is referred, in working toward the sale of the Property. Regardless of whether a cooperating MLS member is the agent of the buyer, Seller, neither or both, such member shall be entitled to receive the selling firm's share of the commission. IT IS UNDERSTOOD THAT MLS IS NOT A PARTY TO THIS AGREEMENT AND ITS SOLE FUNCTION IS TO FURNISH THE DESCRIPTIVE INFORMATION ON THE ADDITIONAL PAGES ATTACHED TO THIS AGREEMENT TO ITS MEMBERS, WITHOUT VERIFICATION AND WITHOUT ASSUMING ANY RESPONSIBILITY FOR SUCH INFORMATION OR IN RESPECT TO THIS AGREEMENT.
9. **DISCLAIMER/SELLER'S INSURANCE.** Neither Firm, MLS, nor any members of MLS or of any multiple listing service to which this listing is referred shall be responsible for loss, theft, or damage of any nature or kind whatsoever to the Property and/or to any personal property therein, including entry by the master key to the keybox and/or at open houses. **Seller is advised to notify Seller's insurance company that the Property is listed for sale and ascertain that the Seller has adequate insurance coverage. If the Property is to be vacant during all or part of the Listing Term, Seller should request that a "vacancy clause" be added to Seller's insurance policy.**
10. **FIRM'S RIGHT TO MARKET THE PROPERTY.** Seller shall not commit any act which materially impairs Firm's ability to market and sell the Property under the terms of this Agreement. In the event of breach of the foregoing, Seller shall pay Firm a commission in the above amount, or at the above rate applied to the listing price herein, whichever is applicable. Unless otherwise agreed in writing, Firm and other members of MLS shall be entitled to show the Property at all reasonable times. Firm need not submit to Seller any offers to lease, rent, execute an option to purchase, or enter into any agreement other than for immediate sale of the Property.
11. **SELLER DISCLOSURE STATEMENT.** Unless Seller is exempt under RCW 64.06, Seller shall provide to Firm as soon as reasonably practicable a completed and signed "Seller Disclosure Statement" (Form 17 (Residential), Form 17C (Unimproved Residential), or Form 17 Commercial). Seller agrees to indemnify, defend and hold Firm harmless from and against any and all claims that the information Seller provides on Form 17, Form 17C, or Form 17 Commercial is inaccurate.
12. **DAMAGES IN THE EVENT OF BUYER'S BREACH.** In the event Seller retains earnest money as liquidated damages on a buyer's breach, any costs advanced or committed by Firm on Seller's behalf shall be paid therefrom and the balance divided equally between Seller and Firm.
13. **ATTORNEYS' FEES.** In the event either party employs an attorney to enforce any terms of this Agreement and is successful, the other party agrees to pay reasonable attorneys' fees. In the event of trial, the successful party shall be entitled to an award of attorneys' fees and expenses; the amount of the attorneys' fees and expenses shall be fixed by the court. The venue of any suit shall be the county in which the Property is located.

DATED THIS 16th DAY OF January, 2012. Are the undersigned the sole owner(s)? ☒ YES ☐ NO

FIRM (COMPANY) Wundermere Bellevue Commons SELLER: Deann Stewart 01/17/2012

BY: Kenneth D. Stewart 01/16/2012 SELLER: _____

EXHIBIT 2

Stewart

4 42-1481

p.1

Form 17
Seller Disclosure Statement
Rev. 7/11
Page 1 of 5

SELLER DISCLOSURE STATEMENT †
IMPROVED PROPERTY

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SELLER: Sean Stewart

* 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
5139 S Mead St

CITY Seattle, **COUNTY** King ("THE PROPERTY")
OR AS LEGALLY DESCRIBED ON THE ATTACHED EXHIBIT A. SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO 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

- | | YES | NO | DON'T KNOW |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| A. Do you have legal authority to sell the property? If no, please explain. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| *B. Is title to the property subject to any of the following? | | | |
| (1) First right of refusal | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) Option | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) Lease or rental agreement | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (4) Life estate? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| *C. Are there any encroachments, boundary agreements, or boundary disputes? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *D. Is there a private road or easement agreement for access to the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *E. Are there any rights-of-way, easements, or access limitations that may affect the Buyer's use of the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *F. Are there any written agreements for joint maintenance of an easement or right-of-way? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *G. Is there any study, survey project, or notice that would adversely affect the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *H. Are there any pending or existing assessments against the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that would affect future construction or remodeling? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *J. Is there a boundary survey for the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *K. Are there any covenants, conditions, or restrictions recorded against the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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 49.60.224.

SELLER'S INITIALS: SS

Date: 1/17/12

SELLER'S INITIALS: _____

Date: _____

Form 17
Seller Disclosure Statement
Rev. 07/11
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SELLER DISCLOSURE STATEMENT IMPROVED PROPERTY

(Continued)

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	YES	NO	DON'T KNOW	
2. WATER				58
A. Household Water				59
(1) The source of water for the property is: <input type="checkbox"/> Private or publicly owned water system				60
<input type="checkbox"/> Private well serving only the subject property * <input type="checkbox"/> Other water system				61
*If shared, are there any written agreements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	62
*(2) Is there an easement (recorded or unrecorded) for access to and/or maintenance				63
of the water source?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	64
*(3) Are there any problems or repairs needed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	65
(4) During your ownership, has the source provided an adequate year-round supply				66
of potable water?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	67
If no, please explain:				68
*(5) Are there any water treatment systems for the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	69
If yes, are they: <input type="checkbox"/> Leased <input type="checkbox"/> Owned				70
*(6) Are there any water rights for the property associated with its domestic water supply,				71
such as a water right permit, certificate, or claim?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	72
(a) If yes, has the water right permit, certificate, or claim been assigned, transferred,				73
or changed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	74
*(b) If yes, has all or any portion of the water right not been used for five or more				75
successive years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	76
*(7) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	77
B. Irrigation Water				78
(1) Are there any irrigation water rights for the property, such as a water right permit,				79
certificate, or claim?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	80
*(a) If yes, has all or any portion of the water right not been used for five or more				81
successive years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	82
*(b) If so, is the certificate available? (If yes, please attach a copy.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	83
*(c) If so, has the water right permit, certificate, or claim been assigned,				84
transferred, or changed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	85
*(2) Does the property receive irrigation water from a ditch company, irrigation district, or other entity?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	86
If so, please identify the entity that supplies water to the property:				87
				88
				89
C. Outdoor Sprinkler System				90
(1) Is there an outdoor sprinkler system for the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	91
*(2) If yes, are there any defects in the system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	92
*(3) If yes, is the sprinkler system connected to irrigation water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	93
3. SEWER/ON-SITE SEWAGE SYSTEM				94
A. The property is served by:				95
<input checked="" type="checkbox"/> Public sewer system <input type="checkbox"/> On-site sewage system (including pipes, tanks, drainfields, and all other component parts)				96
<input type="checkbox"/> Other disposal system				97
Please describe:				98
B. If public sewer system service is available to the property, is the house				99
connected to the sewer main?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	100
If no, please explain:				101
*C. Is the property subject to any sewage system fees or charges in addition to those covered				102
in your regularly billed sewer or on-site sewage system maintenance service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	103
D. If the property is connected to an on-site sewage system:				104
*(1) Was a permit issued for its construction, and was it approved by the local health				105
department or district following its construction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	106
(2) When was it last pumped?				107
*(3) Are there any defects in the operation of the on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	108
(4) When was it last inspected?				109
By whom:				110
(5) For how many bedrooms was the on-site sewage system approved? bedrooms				111

SELLER'S INITIALS: [Signature] Date: 1/17/12 SELLER'S INITIALS: _____ Date: _____

Form 17
Seller Disclosure Statement
Rev. 07/11
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**SELLER DISCLOSURE STATEMENT
IMPROVED PROPERTY**

(Continued)

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- | | YES | NO | DON'T
KNOW | |
|--|--------------------------|--------------------------|-------------------------------------|-----|
| E. Are all plumbing fixtures, including laundry drain, connected to the sewer/on-site sewage system? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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 type="checkbox"/> | <input checked="" 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 checked="" 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 checked="" type="checkbox"/> | 117 |
| | | | | 118 |
| | | | | 119 |
| | | | | 120 |
| | | | | 121 |

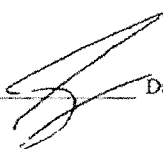
NOTICE: IF THIS RESIDENTIAL REAL PROPERTY DISCLOSURE IS BEING COMPLETED FOR NEW CONSTRUCTION WHICH HAS NEVER BEEN OCCUPIED, SELLER IS NOT REQUIRED TO COMPLETE THE QUESTIONS LISTED IN ITEM 4 (STRUCTURAL) OR ITEM 5 (SYSTEMS AND FIXTURES). 122
123
124

4. STRUCTURAL

- | | | | | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-----|
| *A. Has the roof leaked within the last 5 years? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 125 |
| *B. Has the basement flooded or leaked? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 126 |
| *C. Have there been any conversions, additions or remodeling? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 127 |
| *(1) If yes, were all building permits obtained? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 128 |
| *(2) If yes, were all final inspections obtained? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 129 |
| D. Do you know the age of the house? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 130 |
| If yes, year of original construction: | | | | 131 |
| *E. Has there been any settling, slippage, or sliding of the property or its improvements? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 132 |
| *F. Are there any defects with the following: (If yes, please check applicable items and explain.) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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 type="checkbox"/> | <input checked="" type="checkbox"/> | 142 |
| If yes, when and by whom was the inspection completed? | | | | 143 |
| | | | | 144 |
| | | | | 145 |
| 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"/> | 146 |
| I. Is the attic insulated? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 147 |
| J. Is the basement insulated? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 148 |

5. SYSTEMS AND FIXTURES

- | | | | | |
|--|--------------------------|--------------------------|-------------------------------------|-----|
| *A. If any of the following systems or fixtures are included with the transfer, are there any defects? | | | | 149 |
| If yes, please explain: | | | | 150 |
| Electrical system, including wiring, switches, outlets, and service | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 151 |
| Plumbing system, including pipes, faucets, fixtures, and toilets | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 152 |
| Hot water tank | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 153 |
| Garbage disposal | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 154 |
| Appliances | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 155 |
| Sump pump | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 156 |
| Heating and cooling systems | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 157 |
| Security system <input type="checkbox"/> Owned <input type="checkbox"/> Leased | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 158 |
| Other | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 159 |
| | | | | 160 |

SELLER'S INITIALS:  Date: 1/16/12 SELLER'S INITIALS: _____ Date: _____

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IMPROVED PROPERTY**
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	YES	NO	DON'T KNOW	
*B. If any of the following fixtures or property is included with the transfer, are they leased? (If yes, please attach copy of lease.)				161
Security System	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	162
Tanks (type):	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	163
Satellite dish	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	164
Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	165
*C. Are any of the following kinds of wood burning appliances present at the property?				166
(1) Woodstove?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	167
(2) Fireplace insert?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	168
(3) Pellet stove?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	169
(4) Fireplace?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	170
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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	171
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"/>	172
6. HOMEOWNERS' ASSOCIATION/COMMON INTERESTS				173
A. Is there a Homeowners' Association?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	174
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:				175
B. Are there regular periodic assessments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	176
\$ _____ per <input type="checkbox"/> month <input type="checkbox"/> year				177
<input type="checkbox"/> Other				178
*C. Are there any pending special assessments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	179
*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"/>	180
7. ENVIRONMENTAL				181
*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 type="checkbox"/>	<input checked="" type="checkbox"/>	182
*B. Does any part of the property contain fill dirt, waste, or other fill material?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	183
*C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	184
D. Are there any shorelines, wetlands, floodplains, or critical areas on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	185
*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 type="checkbox"/>	<input checked="" type="checkbox"/>	186
*F. Has the property been used for commercial or industrial purposes?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	187
*G. Is there any soil or groundwater contamination?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	188
*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 type="checkbox"/>	<input checked="" type="checkbox"/>	189
*I. Has the property been used as a legal or illegal dumping site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	190
*J. Has the property been used as an illegal drug manufacturing site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	191
*K. Are there any radio towers in the area that cause interference with cellular telephone reception?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	192
8. LEAD BASED PAINT (Applicable if the house was built before 1978.)				193
A. Presence of lead-based paint and/or lead-based paint hazards (check one below):				194
<input type="checkbox"/> Known lead-based paint and/or lead-based paint hazards are present in the housing (explain):				195
<input type="checkbox"/> Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.				196
B. Records and reports available to the Seller (check one below):				197
<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).				198
<input checked="" type="checkbox"/> Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.				199
9. MANUFACTURED AND MOBILE HOMES				200
If the property includes a manufactured or mobile home.				201
*A. Did you make any alterations to the home?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	202
If yes, please describe the alterations:				203
*B. Did any previous owner make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	204
*C. If alterations were made, were permits or variances for these alterations obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	205

SELLER'S INITIALS: SC Date: 1/17/12 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 ☒ DON'T 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: 1/17/12 Date: _____

Seller: [Signature] 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: _____ DATE: _____

BUYER: _____ BUYER: _____

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: [Signature] Date: 1/17/12 SELLER'S INITIALS: _____ Date: _____

Branch :FAK,User :CUS4

Comment:

Station Id :VR88

20100820000749.003

EXHIBIT A

LEGAL DESCRIPTION: Real property in the County of KING, State of Washington, described as follows:

LOTS 15 AND 16 IN BLOCK 2 OF LAKE WASHINGTON HEIGHTS, AN ADDITION TO THE CITY OF SEATTLE, AS PER PLAT RECORDED IN VOLUME 16 OF PLATS, PAGE 16, RECORDS OF KING COUNTY

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01/17/2012