REAL ESTATE PURCHASE AND SALE AGREEMENT

Vancouver, Washington
Date 8/18/09

RIDGEFIELD SCHOOL DISTRICT, or its assigns, (Purchaser) agrees to purchase, and PARADISE OF LACENTER LLC, and TERRY A. WOOSLEY, SHARON WOOSLEY (collectively, Seller), agrees to sell, a portion of the real estate located in Clark County, Washington, and more particularly described in EXHIBIT A-1 (Premises) and tentatively shown on EXHIBIT A-2. The legal description and exact configuration of the Premises will be confirmed and verified by the survey according to terms of the Agreement and approved by both Purchaser and Seller. The Premises are approximately 10 developable acres. Developable acres means land that is permitted for improvements including buildings, other structures, parking and loading areas, landscaping, paved or graveled areas, critical area buffers that can be used for storm water facilities or counted as part of any required landscaping, and other allowed site improvements. Non-developable land includes unbuildable land, undisturbed areas, critical areas, constrained lands and geologically hazardous areas. In addition, for no additional price, the Premises will include adjacent wetlands, the size of which will be determined after a wetland delineation is completed as part of Purchaser's due diligence defined below and agreed to by Purchaser in its sole discretion. If, after a survey, the Premises are more or less than 10 developable acres, the purchase price will be adjusted by $0.61 per square foot upward or downward, depending upon the actual square footage of the Premises as determined by the survey. The Title Company is authorized to verify the authority of the Seller to sell and insert the correct legal description for EXHIBIT A-1 prior to Closing.

AGREEMENT

In consideration of the foregoing and the performance of the mutual covenants contained in this Agreement, Seller and Purchaser agree:

1. Purchase Price. The total purchase price for the Premises is Two Hundred and Sixty Seven Thousand and no Dollars ($267,000.00).

The purchase price will be paid as follows:

a. $5,000 earnest money
b. Balance at closing: $262,000.00 cash

2. Earnest Money Deposit. Upon execution of this Agreement by both Seller and Purchaser, Purchaser must execute and deliver to First American Title Company, 7710 N.E. Greenwood,

Suite 160, Vancouver WA 98662 ("Title Company") as Escrow Agent for the closing of this transaction a promissory note ("Earnest Money Note") in the amount of Five Thousand Dollars ($5,000.00). The Earnest Money Note must be converted to cash ("Deposit") on that date Purchaser satisfies the contingencies in Section 11(c) and (g) and must be paid or delivered as earnest money in part payment for the Purchase Price for the Property. Purchaser agrees to diligently pursue satisfying the contingences in Section 11(c) and (g). The Deposit will be held by Title Company for the benefit of the parties. The Title Company must deposit the earnest money funds into an interest bearing account with interest credited to the Purchaser at Closing.

3. Threat of Condemnation: Purchaser has the power of eminent domain and has determined to acquire the Premises subject to satisfaction of the contingencies in paragraph 11 below. Purchaser has further determined that the best way to acquire the Premises is by agreeing to and carrying out the terms of this Agreement. However, it is recognized by the parties to this Agreement that, in the event this Agreement is not consummated, Purchaser is ready, willing and able to exercise its power of eminent domain to make such acquisition. The terms of this Agreement have been negotiated in light of this power and the acquisition, if this transaction is accomplished, will be made in lieu of and under the threat of condemnation.

4. Title. Title of Seller at Closing is to be free of encumbrances or defects, except encumbrances and defects approved by Purchaser's attorneys, after examination of the preliminary title commitment. Content and form of all title exceptions in the preliminary title commitment shall be subject to the approval of Purchaser's attorneys within 10 days receipt of a preliminary title report and all exception documents. Within that 10-day period, Purchaser has the right to object to any encumbrance or defects against title. Upon receipt of a title objection letter from Purchaser, Seller has 20 days to cure any title defects or encumbrances objected to by Purchaser. If Seller fails to cure the title defect or encumbrance to Purchaser's satisfaction within this 20-day period, Purchaser has a right to terminate this Agreement and receive a refund of the earnest money to the extent it had been paid into escrow. Monetary encumbrances to be discharged by Seller shall be paid out of the purchase price at closing.

5. Title Insurance. Seller must deliver or cause to be delivered to Purchaser, as soon as obtainable, a preliminary commitment for title insurance for an ALTA extended coverage form owner's title insurance policy issued by the Title Company showing the condition of Seller's title to the Premises and showing Seller has the right to convey property. Seller shall deliver to Purchaser at closing an ALTA extended coverage owner's policy issued by the Title Company. The owner's policy of title insurance shall be in the face amount of the purchase price insuring Purchaser's title subject to no exceptions except the usual printed form of General Exceptions and those exceptions approved by Purchaser.

If title is not insurable as provided above and cannot be made so insurable by the termination date of this Agreement, this Agreement shall be terminated and Purchaser shall receive back the earnest

money: provided, however, Purchaser may waive defects and elect to purchase.

6. Conveyance of Title. Seller shall convey good and merchantable title to Purchaser of the Premises by Warranty Deed, subject only to the exceptions approved by Purchaser, upon receipt of payment. The parties acknowledge that the Premises are part of a larger parcel and adjacent to other property owned by Seller. The parties agree that conveyance of the Premises will be accomplished by boundary line adjustment in compliance with Section 40.230.070(C)(2) of Clark County's Unified Development Code.

7. Risk of Loss. Seller must deliver the Premises to Purchaser at closing in the same condition existing as of the Effective Date. Risk of Loss of, or damage to, the Premises will be borne by Seller until the date of title transfer or until Purchaser takes possession of the Premises, whichever date is earlier. Thereafter, Purchaser will bear the risk of loss. In the event of loss or damage to the Premises, or a portion of the Premises, prior to the date upon which Purchaser assumes the risk, Purchaser may terminate this Agreement; except that Purchaser may not terminate this Agreement if Seller agrees in writing to restore the Premises substantially to the condition required by this Agreement by the date of title transfer. Even though Purchaser has right to terminate this Agreement in the event of loss of or damage to all or a portion of the Premises, Purchaser may elect to purchase the Premises in the condition existing on the Closing date for the Purchase Price less an amount equal to the proceeds paid or payable under any policies of insurance carried by Seller.

8. Seller's Representation and Warranties. To the best of Seller's knowledge Seller represents to Purchaser that:

(a) All persons and corporations supplying labor, materials and equipment to the Premises have been paid, and there are and will be no claims or liens as of the Effective Date and as of the date of title transfer;

(b) The Premises do not materially violate any applicable zoning ordinances, and Seller is unaware of any material defect in the Premises;

(c) As of the Effective Date, and as of the date of closing, no assessments for public improvements have been made against the Premises which are unpaid;

(d) There has been no production, disposal or storage of any hazardous waste or other toxic substance by Seller or any other person or entity on the Premises or any property adjacent to the Premises, during Seller's ownership of the Premises, except that Seller discloses that the house on the Premises may include lead-based paint or asbestos. Seller must deliver to Purchaser through escrow a Hazardous Substance Affidavit, properly executed and in form and content as attached hereto, as EXHIBIT B;

9. Survey.

9.1 Purchaser and persons designated by Purchaser, at Purchaser's sole cost, have the right to enter upon the Premises at any reasonable time after the Effective Date in order to survey the Premises in the event there is not already an acceptable survey obtained by Seller. Purchaser's obligations under this Agreement are contingent upon obtaining a current site survey prepared by a registered public surveyor approved by the Title Company which identifies the Premises and all features affecting title to the Premises. Purchaser will use best efforts to obtain a survey within 90 days of the Effective Date. Such survey must include, without limitation

(i) legal description of the Premises;

(ii) the square footage of the Premises;

(iii) perimeter lot lines of the Premises;

(iv) all roads and highways bordering on or contiguous to the Premises;

(v) the location of all easements, lot lines, set-back lines, and other rights-of-way or covenants affecting the Premises, each of which shall be identified by reference to its recorded volume and page number;

(vi) utilities, wells, septic tanks and drainfields, underground storage tanks and sewers (delineating their course to the point of connection to the public system, if any);

(vii) a plat of the Premises (including survey markers and pins) showing the location of any existing improvements and encroachments, including fence encroachments;

(viii) wetlands, habitat areas, and topographical lines; and

(ix) a certification by the surveyor which shall be addressed to KWRL Transportation Cooperative and First American Title Company and shall be substantially in the following form:

I hereby certify that on the day of 20__ :

(a) this survey was made on the ground as per the field notes shown on this survey and is true, correct and accurate as to the boundaries and areas of the subject property and the size, locations, and type of buildings and improvements thereon (if any) and as to the other matters shown hereon; shows the location of all improvements and

other matters on the subject property; shows the location of all rights-of-way, easements and any other matters of record affecting the subject property according to the legal description in such rights-of-way, easements and other matters;

(b) there are no encroachments either way across the boundary lines of the subject property except as shown on the survey;

(c) adequate ingress to and egress from the subject property is provided by (name of streets), the same being paved, dedicated public right (s)-of-way maintained by (name of maintaining authority);

(d) the subject property does not serve any adjoining property for drainage, ingress and egress for any other purpose; and

(e) all required building setback lines on the subject property are located as shown hereon.

(Signature of Surveyor)
Registered Public
Surveyor
Registration No._____

9.2 Purchaser shall pay the cost of the survey.

10. Inspection. It is understood and agreed that Purchaser and Purchaser's agents, representatives, engineers and surveyors have the right of reasonable access to the Premises, upon prior notice to the Seller who is responsible for giving notice to any Tenant on the Premises, from and after the date of this Agreement in order to inspect and appraise the Premises and these persons have the right to make soil bearing or other tests to ascertain the condition or suitability of the Premises for building foundations and other improvements which Purchaser desires to make on the Premises. Purchaser has the right, at any time prior to the time of closing, to terminate this Agreement by giving written notice to Seller 30 days prior to Closing in the event that these tests indicate any adverse conditions which, in Purchaser's judgment, will preclude the economic installation of building foundations or other improvements, or both, on the Premises.

Preliminary development costs, if any, incurred by the Purchaser to evaluate the suitability of the Premises for Purchaser's intended use, including but not limited to, all tests and inspections conducted on the Premises prior to the Closing of this transaction, will be at the expense of the Purchaser. Purchaser will indemnify and hold harmless the Seller and the Premises, including the Seller's interest in the property, from liability for any and all claims, liens, encumbrances or other expenses and/or costs incurred resulting from activities of Purchaser on the Premises prior to closing this transaction. Should this transaction fail to close, Purchaser will be responsible for leaving the Premises in a condition as close as reasonably possible to the condition in which Purchaser found it on the date of this Agreement, and Purchaser agrees to provide copies of and assign all reports, studies and surveys prepared pursuant to this Section.

11. Contingencies. This sale is conditioned upon the satisfaction or waiver, 30 days prior to Closing, of the following:

(a) That, at the time of making and delivery of the statutory warranty deed conveying the Premises to Purchaser, the grantor in the deed shall be lawfully seized of an indefeasible estate in the Premises in fee simple, and shall have good right and full power to convey the Premises and that the Premises are free from encumbrances and they warrant to Grantee, its successors and assigns, the quiet and peaceable possession of the Premises and will defend the title to the Premises against Grantors and all persons claiming through or under Grantor.

(b) That the Premises are designated and zoned to permit the use of the Premises for a public school transportation center;

(c) Acceptance by the Purchaser of the Survey cited in Section 9 and the configuration and size of the Premises.

(d) Approval by each of the Board of Directors of the Kalama School District, LaCenter School District, Ridgefield School District and Woodland School District of this transaction in their sole discretion.

(e) Approval by the Purchaser to its satisfaction that the Premises are suitable for the use intended by the Purchaser, including but not limited to Purchaser's investigation and approval of the feasibility and cost of improvements, including adequate water, waste disposal, electrical services and other utilities to the Premises;

(f) Approval required by State of Washington, State of Washington Health Department, Clark County through issuance of a conditional use permit and lot reconfiguration and or other governmental authority or agency for use of the Premises for school transportation purposes.

(g) Approval by the Purchaser in Purchaser's sole discretion of a wetland delineation, engineering reports, including soil reports, to be obtained by Purchaser pertaining to the feasibility of the Premises for the development contemplated by Purchaser.

(h) The results of an environmental site assessment of the Premises satisfactory to the Purchaser and approval by Purchaser of the condition of the Premises as revealed by the environmental site assessment to Purchaser's sole satisfaction. Purchaser agrees to bear the cost of the site assessment. Seller agrees to bear the full cost of any remediation or cleanup costs identified in the environmental site assessment report up to $10,000. Cleanup must occur prior to Closing. For any remediation or cleanup costs exceeding $10,000, Purchaser has the option of terminating this Agreement and receiving back the Earnest Money unless Purchaser agrees to pay for

remediation in excess of $10,000.

(i) Approval by Purchaser in Purchaser's sole discretion of the suitability of access to the Premises.

As part of its due diligence listed above, and in deciding whether to satisfy or waive the contingency in (e) above related to water, Purchaser may determine if the existing well located on the Premises is adequate for its intended use and use by the residence on the adjacent property to be retained by Seller. Purchaser has the option of drilling a new well or entering into a joint well use and maintenance agreement with Seller at Closing. If Purchaser elects before Closing to enter into a joint well use and maintenance agreement, the parties agree to execute an agreement in substantially the form attached as EXHIBIT D at Closing.

As part of its due diligence listed above, and in deciding whether to satisfy or waive the contingency in (g) related to wetlands, Purchaser agrees to delineate the wetlands on the Premises and on any adjacent property to be retained by Seller according to the scope of work described by The Resource Company in the letter attached as EXHIBIT C. Purchaser may or may not hire The Resource Company to perform the delineation. The purpose of attaching the letter as EXHIBIT C is to limit the scope of the wetland delineation to be obtained by Purchaser at its cost to the scope described in EXHIBIT C.

If, as part of its due diligence in (f) above, Clark County requires the widening and improvement of NW 31st Avenue along the frontage of Seller's remaining property described in Exhibit A (excluding the Premises), then Seller agrees to dedicate the required right-of-way to Clark County, at no additional costs in exchange for Purchaser's agreement to construct all improvements in that right-of-way required for Purchaser's use, and Purchaser will be responsible for all other costs and expenses related to the development of the Premises.

12. Possession. Purchaser is entitled to possession of the Premises at Closing. Seller is responsible for notifying the existing tenant on the Premises of its requirement to vacate the Premises on or before Closing according to the applicable procedures of the rental agreement or lease and the Residential Landlord-Tenant Act. If Tenant fails to vacate the Premises on or before Closing, then upon request by Purchaser, Seller shall take immediate steps to initiate an unlawful detainer action. Purchaser has the option, to be exercised in its sole discretion, no later than 30 days prior to Closing, of allowing the Tenant to remain on the Premises subject to the Purchaser and Tenant entering into a mutually agreeable rental agreement. Also prior to Closing, Seller shall remove the existing pile of debris consisting of a former barn currently located on the Premises to Purchaser's satisfaction.

After Closing, Purchaser agrees to not hinder in anyway the use of the drainage corridor for drainage needed for development of the Seller's remainder property (that portion of the property

legally described in EXHIBIT A-1 not purchased by Purchaser). The parties further acknowledge that there may be a way to jointly provide a drainage system for the entire property legally described in EXHIBIT A-1 and the parties agree to negotiate this potential improvement in good faith. Neither party will be financially obligated for any costs associated with a shared drainage system unless mutually agreed to in writing.

13. Closing Agent. The sale shall be closed in escrow in the office of the Title Company on or before 30 days from when Purchaser receives conditional use permit and lot reconfiguration approval from Clark County, and after all appeals, if any, are exhausted and finally and conclusively resolved but no later than March 1, 2010; provided, however, Purchaser shall have the right to extend the closing date for two additional 30 day periods if closing cannot occur for reasons that are not in Purchaser's control by giving written notice to Seller prior to the original Closing Date or applicable 30 day period.

14. Taxes. Taxes and special assessments will be pro-rated from the date of Closing, which pro-ration shall be based upon the actual fiscal year of the taxing authorities for which the taxes are levied so that the Seller is responsible for taxes and special assessments allocated to the Premises prior to Closing and Purchaser is responsible for taxes and special assessments after Closing. Depending upon the final configuration of the Premises, any pro-ration of taxes may involve allocating the taxes applicable to the Premises from the data of two different tax parcels. The taxes allocated to the Premises will be calculated based on the square footage of each portion of the two tax parcels comprising the Premises.

15. Closing Costs. Seller is responsible for the following closing costs: the cost of a standard form owner's title insurance premium, real estate excise tax, if any, and one-half (1/2) of all escrow/closing fees and costs. Purchaser is responsible for the following closing costs: the difference in cost between an ALTA extended coverage form title policy and a standard form owner's title insurance premium, real estate commission to Coldwell Banker/Barbara Sue Seal Properties, recording fees, and one-half (1/2) of all escrow/closing fees and costs. Each party will bear their own attorney fees associated with the transaction contemplated by this Agreement. The parties understand that because Purchaser is purchasing the Premises under threat of condemnation, there may be no real estate excise tax or back compensatory taxes, penalties and interest due.

16. Attorney Fees and Costs. In the event a suit, action, arbitration, or other proceeding of any nature whatsoever, including without limitation any proceeding under the U.S. Bankruptcy Code, is instituted, or the services of any attorney are retained, to interpret or enforce any provisions of this Agreement or with respect to any dispute relating to this Agreement, the prevailing party is entitled to recover from the losing party its attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith. In the event of suit, action, arbitration, or other proceeding, the amount thereof shall be determined by the judge or arbitrator, shall include fees and expenses incurred on any appeal or

review, and shall be in addition to all other amounts provided by law.

17. Default. Time is of the essence of this Agreement.

If Purchaser defaults in the performance of its obligations hereunder and has no legal excuse, Seller's sole remedy will be to withdraw the $5,000.00 earnest money deposit from escrow as liquidated damages for such default and to rescind this Agreement, after which this Agreement shall be terminated and Purchaser shall have no further rights or obligations except those obligations contained in Section 10.

Initials Initials

If Seller defaults in the performance of its obligations hereunder, Purchaser may seek specific performance pursuant to the terms of this Agreement, damages, rescission, or any other remedy allowed by law.

Initials Initials

18. Commission. The parties acknowledge that the services of a broker or agent, namely Vernon Veysey has been employed in connection with this transaction and that this agent is the agent of the Seller. Because of Mr. Veysey's efforts in locating the Property for Purchaser's intended use, Purchaser agrees to pay Coldwell Banker/Barbara Sue Seal 5% of the Purchase Price set forth in Section 1 at Closing. It is disclosed that ~~Terry A.~~ Sharon M. Woosley and Dale Lang, Seller or representatives of Seller are licensed real estate brokers in the State of Washington. Seller has provided to Buyer the pamphlet entitled The Law of Real Estate Agency.

19. Notices. All notices required or permitted to be given hereunder shall be in writing and shall be personally delivered or sent by U.S. certified mail, return receipt requested, addressed as set forth below:

(a) All notices to be given to Seller shall be addressed as follows:

c/o Vern Veysey
5101 N.E. 82nd Avenue
Vancouver, WA 98662
360-892-7325
veyseyvv@msn.com

With copy to:

Lang Bros.
1315 N.E. 134th Street
Vancouver, WA 98685
Attention: Dale Lang

(b) All notices to be given to Purchaser shall be addressed as follows:

Mr. Charles Anderson
989 Frazier
Woodland, WA 98674
360-225-8075
andersoc@woodlandschools.org

with a copy to:

Miller Nash
P.O. Box 694
Vancouver, Washington 98666
Attention: LeAnne M. Bremer

Either party may by proper notice to the other designate any other address for the giving of notices as deemed necessary. All notices shall be deemed given on the day such notice is personally served or on the third day following the day such notice is mailed in accordance with this section.

20. Nonmerger. The provisions of this Agreement will not be deemed merged into the deed but shall survive the closing and continue in full force and effect.

21. Heirs and Assigns. This Agreement is binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of both the parties hereto. Seller acknowledges that prior to Closing, Purchaser has the right to assign this Agreement in its sole discretion to a legal entity with members comprised of the Kalama School District, LaCenter School District, Ridgefield School District and Woodland School District.

22. Entire Agreement. This Agreement supersedes any prior agreement and contains the entire agreement of the parties as to the matter covered. No other agreement, statement, or promise made by any party or to any employee or agent of any party shall be binding unless made in writing and signed by both parties to this Agreement.

23. Governing Law. This Agreement shall be construed according to the laws of the State of Washington.

24. Negotiation and Construction. This Agreement and each of the terms and provisions hereof are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either party.

25. Representation. The parties acknowledge that Miller Nash LLP, attorneys at law, represent Purchaser in this transaction. The parties further acknowledge that Dale Lang, a principal of the Seller, is a former client of Miller Nash LLP and as a former client for which Miller Nash LLP has no confidences that would adversely affect the interests of Mr. Lang in this transaction, no conflict of interest exists with respect to Miller Nash LLP's representation of Purchaser

26. 1031 or 1033 Exchange. Purchaser and Seller understand, acknowledge and agree that Seller, at Seller's option, may determine to structure this sale in a manner which will qualify for deferral of federal income tax in accordance with the provisions Section 1031 or 1033 of the Internal Revenue Code. In this regard, Purchaser agrees to cooperate with Seller to give effect to said exchange and to execute and deliver such documents and writings as may be reasonably required to evidence said exchange transaction; PROVIDED, however, the Section 1031 or 1033 Exchange shall not delay Closing under this Agreement, Seller shall be required to pay any additional costs or expenses associated with said 1031 or 1033 Exchange, and Purchaser shall not be responsible for any additional costs, liabilities or expenses nor shall Purchaser be required to take title to any property except the Property. Further, Seller acknowledges and understands that Purchaser has made no representations or warranties to Seller in connection with the ability to qualify this sale as a 1031 or 1033 Exchange.

Exhibits are attached hereto and by this reference incorporated herein.

IN WITNESS WHEREOF the parties have executed this Agreement.

PURCHASER:

Date:_____

By:_____
Title:_____

SELLER:

Date: 8/18/09

By: DALE LANG
Title: Pres

SELLER:

Date: 8-18-09

By: Terry Worsley
Title: Vice Pres

SELLER:

Date: 8-18-09

By: ROBERT DUAGER
Title: Vice Pres

8/18/09

Sharon Worsley
Secretary/Treasurer

EXHIBIT A-1
LEGAL DESCRIPTION OF PREMISES
A PORTION OF THE FOLLOWING TWO PARCELS

Parcel 1

A parcel of property located in the Southwest quarter of Section 4, Township 4 North, Range 1 East of the Willamette Meridian in Clark County, Washington, described as follows:

The North half of the Northwest quarter of said Southwest quarter and the Northwest quarter of the Southwest quarter of the Northwest quarter of said Southwest quarter;

EXCEPT: The Southeast quarter of the Northeast quarter of the Northwest quarter of said Southwest quarter.

Parcel 2

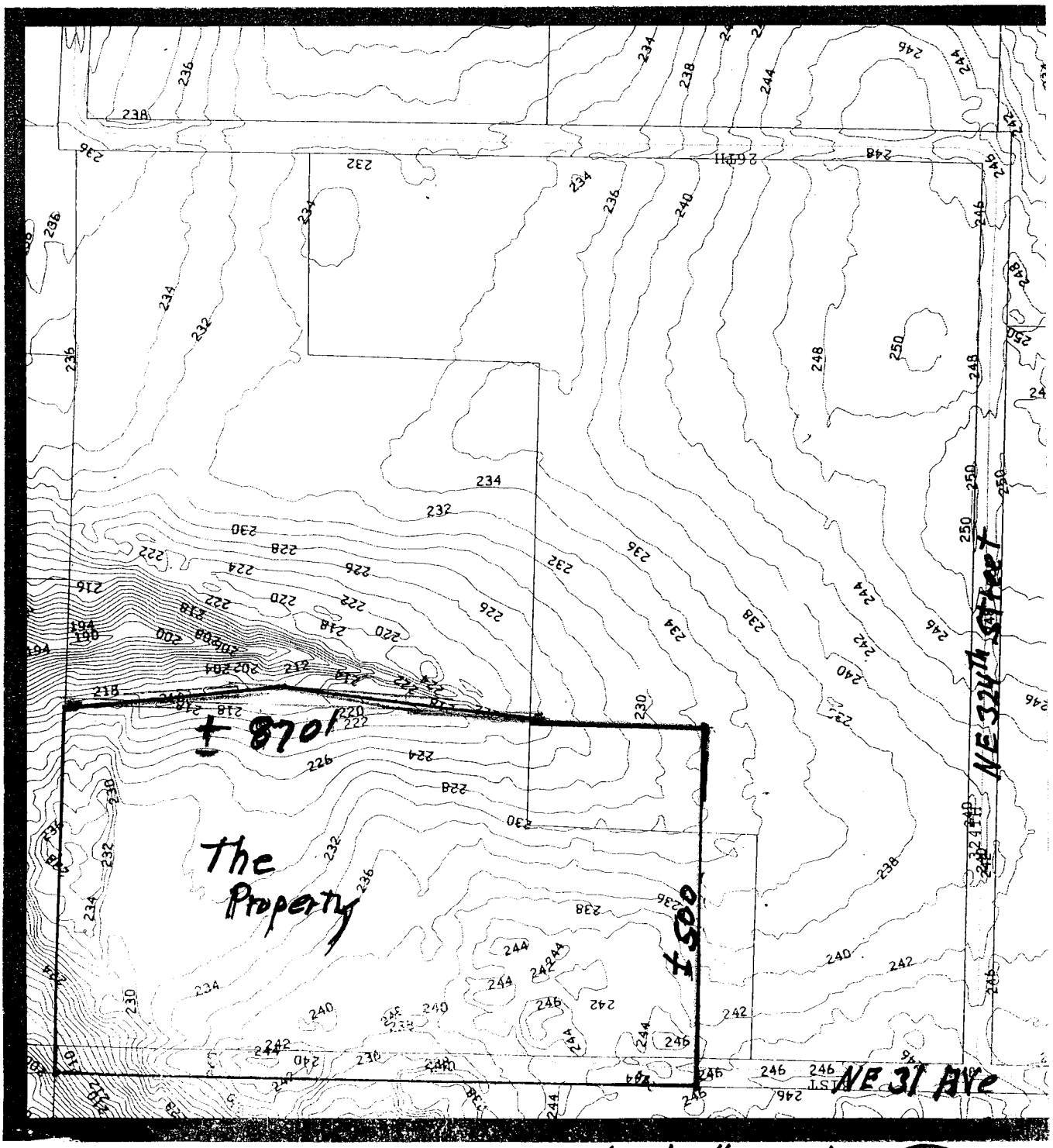
A parcel of property located in the Southwest quarter of Section 4, Township 4 North, Range 1 East of the Willamette Meridian in Clark County, Washington, described as follows:

The South half of the Northwest quarter of said Southwest quarter and the Southeast quarter of the Northeast quarter of the Northwest quarter of said Southwest quarter.

EXCEPT: The Northwest quarter of the Southwest quarter of the Northwest quarter of said Southwest quarter.

EXHIBIT A-2

SKETCH OF PREMISES



Scale 1" = 200'

VANDOCS:50125511.4

EXHIBIT B
HAZARDOUS SUBSTANCE AFFIDAVIT

STATE OF WASHINGTON)
ss.
COUNTY OF CLARK)

The undersigned ("Seller"), being first duly sworn, on oath deposes and states:

1. Seller is the owner of that certain real property described on EXHIBIT A attached hereto and incorporated herein by reference ("Premises").

2. During Seller's ownership of the Premises, to the best of Seller's knowledge, Seller knows of no release of a hazardous substance on the Premises.

3. The Premises contain a structure that may have lead-based paint or asbestos.

4. The Premises may contained underground storage tanks containing or formerly containing fuel or other hazardous substances.

DATED this 18 day of August, 2009.

SELLER:

Date: Aug 18, 2009

EXHIBIT C

Return Address: LeAnne Bremer
Miller Nash LLP
500 Broadway, Suite 400
Vancouver, WA 98660

AUDITOR/RECORDER'S INDEXING FORM

Document Title(s):	1. Joint Well Agreement
Reference Number(s) of Documents assigned or released:	
Grantor(s):	Ridgefield School District ☐ Additional names on page _____ of document
Grantee(s):	1. Paradise of LaCenter LLC; Terry A. Woosley and Sharon Woosley ☐ Additional names on page _____ of document
Legal Description): (abbreviated)	☒ Additional legal is on Exhibits A and B of document
Assessor's Property Tax Parcel/Account Number:	209699-000; 209749-000

JOINT WELL AGREEMENT

THIS AGREEMENT is made and entered into as of this ____ day of _____, 2009, by RIDGEFIELD SCHOOL DISTRICT, its successors and/or assigns as grantors, and PARADISE OF LACENTER LLC, TERRY A. WOOSLEY, and SHARON WOOSLEY, and its successors and/or assigns as grantee (collectively, "Paradise of LaCenter").

RECITALS

A. Ridgefield School District presently owns real property located in Clark County, Washington. The legal description of Ridgefield School District's property ("Parcel A") is attached as Exhibit A.

B. Paradise of LaCenter presently owns real property located in Clark County, Washington. The legal description of Paradise of LaCenter's property ("Parcel B") is attached as Exhibit B.

C. The real property described in Exhibits A and B are adjoining lots.

D. A well presently exists on the Ridgefield School District's property. Water lines extend from the well on Parcel A to Parcel B and presently serve these two parcels and their owners ("Owners").

E. Through this Agreement, Ridgefield School District and Paradise of LaCenter (1) confirm Paradise of LaCenter's water rights, and (2) establish an easement over the Well Access Easement Area for the installation, maintenance, replacement, and repair of a water pipeline over, under, and across a ten foot (10') strip of ground, the centerline of which is the existing pipeline from the well to Parcel B ("Well Access Easement Area"), and (3) provide for the common operation and maintenance of a well and water distribution system in accordance with Washington law and the applicable state and county rules and regulations, for and on behalf of the above legally described properties and of the parties' successors, heirs, and assigns.

NOW, THEREFORE, in consideration of the mutual covenants herein and the mutual benefits to the parties hereto, it is agreed as follows:

A. WELL.

1. Grant of Easement. Ridgefield School District hereby grants to Paradise of LaCenter and its heirs, successors and/or assigns and any subsequent Owner of Parcel B a non-exclusive Well Access Easement Area for the purpose of installation, maintenance, replacement and repair of a water pipeline.

2. Well and Water System.

(a) As used in this Agreement, "Well Area" is that area within a _____foot (_____) radius from the actual location of the well head located on the Ridgefield School District's real property described in Exhibit A and illustrated on a survey attached as Exhibit B.

(b) Each Owner shall be solely responsible for all of his or her respective costs associated with hooking up and/or maintaining the hook up to the water supply. Each Owner shall be solely responsible for all of his or her respective costs and expenses associated with water pipes and/or plumbing on his or her property outside the Well Area or Well Access Easement Area.

(c) All costs and expenses of the well and all water pipes within the Well Area and the Well Access Easement Area, including installing any equipment, and maintaining any well structures, facilities, and pipes shall be the responsibility of all Owners, such expenses to be shared among the Owners at the time such cost or expense is incurred based on each party's usage compared to the total usage according to meter readings. The well and water pipes within the Well Area shall be kept and maintained in compliance with all applicable laws, rules, and regulations.

(d) Absent agreement among the Owners, no water from the well shall be distributed to any other property, nor shall any other use be made thereof, except for the benefit of Parcel A and Parcel B.

(e) Neither party shall take any affirmative action that terminates the power to the Well pump or impairs the Well System in any way.

(e) In addition, Paradise of LaCenter, and its heirs, successors and/or assigns and any subsequent Owner of Parcel B agree to pay Ridgefield School District $100.00 (One Hundred Dollars and No Cents) per year for each year that Parcel B receives water from the Well, which shall be paid on or before December 30 of each year of use.

(f) Should Paradise of LaCenter decide to drill its own well on Parcel B or hook-up to a public water system, Paradise of LaCenter agrees to release the Easement across the Parcel A and take all other necessary action to clear title of any rights it may have on, across, under or over Parcel A, and the time title is cleared this Agreement will terminate, be null and void and no longer in effect.

(g) Should Ridgefield School District decide to drill its own well on Parcel A or hook-up to a public water system, Ridgefield School District will have no financial obligations under this Agreement or any obligation to maintain or repair the Well System. In such case, Ridgefield School District will not take any affirmative action that terminates the power to the Well pump or impairs the Well System in any way.

B. DECISIONS/PAYMENT/COLLECTION.

1. Decisions concerning repair and/or maintenance of the Well, the Well Area, and/or the Well Easement Area shall be by agreement of the Owners. Reasonable

notice in writing of the proposed repair and/or maintenance shall be provided to the Owners. Costs of the repair and/or maintenance shall be split equally between the Owners. Absent agreement, should an Owner decide to conduct any repair and/or maintenance, the cost shall be borne solely by that Owner.

2. When, after agreement of the Owners, repair and/or maintenance for the Well and Well Access Easement Area is conducted and any Owner incurs expenses as a result, that Owner shall send a billing statement to the other Owner or Owners who are wholly or partially responsible for the expense. The billing statement shall state with reasonable detail the item for which it is rendered, the total amount expended and the amount due from the Owner being billed. A copy of the invoice for the repairs and/or maintenance shall also be included. Amounts billed shall be paid within fifteen (15) days of receipt of the billing statement. All amounts not paid by that date shall incur a late payment fee of one percent (1%) per month until paid in full.

These covenants and agreements shall run with the land and shall be binding on all parties having or acquiring any right, title, or interest in this land described herein or any part thereof, and it shall pass to and be for the benefit of each owner thereof.

DATED this ____ day of _____, 2009.

THE RIDGEFIELD SCHOOL DISTRICT

By:_____
Title: _____

PARADISE OF LACENTER LLC

By:_____
Title: _____

_____
Terry A. Woosley

_____
Sharon Woosley

State of Washington)
) ss.
County of Clark)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: _____, 2009.

_____
Notary Public for Washington

_____
(Printed or Stamped Name of Notary)
Residing at _____
My appointment expires: _____

State of Washington)
) ss.
County of Clark)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: _____, 2009.

_____
Notary Public for Washington

_____
(Printed or Stamped Name of Notary)
Residing at _____
My appointment expires: _____

State of Washington)
) ss.
County of Clark)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: _____, 2009.

_____
Notary Public for Washington

_____
(Printed or Stamped Name of Notary)
Residing at _____
My appointment expires: _____

State of Washington)
) ss.
County of Clark)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: _____, 2009.

_____
Notary Public for Washington

_____
(Printed or Stamped Name of Notary)
Residing at _____
My appointment expires: _____

EXHIBIT D

February 20, 2009

Mr. Vern Veysey
4816 NE 259th Street
Ridgefield, WA 98642

RE: Lang Parcels – Environmental Services Proposal

Vern:

Thank you for the opportunity to provide environmental services to you and your client. As per your request, The Resource Company, Inc. (TRC), is providing a cost estimate to conduct environmental services for the approximately 40 acre properties identified as serial numbers 209699-000 and 209749-000. These properties are located between NW 31st and NW 26th Avenues north of NW 324th Street, north Clark County, Washington. A review of the Clark County Environmental Constraints map indicates that hydric (wetland) soils occur in the central, eastern and northeast portions of the properties. In addition, a riparian zone is mapped through the central portion of the property. These critical areas may be regulated under the Clark County Wetland Protection and Habitat Conservation Ordinances, respectively. The services that you have requested are outlined in the tasks below:

Task 1. TRC will conduct a wetland assessment and delineation on the above listed parcels. The wetland assessment will be conducted under the guidelines of the Clark County Wetlands Protection Ordinance (40.450) and the Corps of Engineers Wetland Delineation Manual (1987). TRC will review existing resource information and conduct an on-site visit to determine the extent of wetlands on the property. TRC will flag the wetland boundaries with orange survey flagging labeled wetland delineation boundary. TRC will prepare wetland delineation report that outlines the results of the wetland delineation including a graphics that shows the approximate wetland boundaries. Wetlands will be rated according the Ecology rating system for western Washington. TRC will GPS the wetland boundaries. It is TRC's recommendation that the wetland boundaries be verified by the Corps of Engineers at the earliest possible time period. The Corps is the federal agency that regulates wetlands and is the final authority on wetland boundary determinations.

Task 2. TRC will conduct a habitat assessment on the property including flagging the ordinary high water mark for any streams that occur within the study area. TRC will query Washington Departments of Fish & Wildlife and Natural Resources to determine the presence of previously

identified protected species, habitats or plants within the study area. TRC will prepare a report that outlines the results of the habitat assessment under the guidelines of the Clark County Habitat Protection Ordinance.

Task 3. TRC will participate in meetings with the client and project consultants to discuss environmental and permitting issues.

TRC bills on a time and materials basis for these types of projects. Currently, TRC's billing rate is $95.00 per hour. Based on the information presented below by task, it is TRC's estimate that to conduct the work proposed above will not exceed $6,840.00. If more time is needed to complete these tasks, the client will be consulted prior to proceeding.

Task 1. Wetland Delineation & Report	44hrs @ $95.00/hr = $4,180.00
Task 2. Habitat Assessment & Report	24hrs @ $95.00/hr = $2,280.00
Task 3. Meetings	4 hrs @ $95.00/hr = $ 380.00

Should you have any questions or need more information, please contact me.

Sincerely,

Kevin L. Grosz, P.W.S.
President

8/18/09

The purchasers agree to sign the offer to Purchase by 8/21/09. Such offer is for property located on NE 31st Ave. in LaCenter, WA.

The purchaser is the Ridgefield School District and the sellers are Paradise of LaCenter LLC and Terry and Sharon Woosley. Purchase and Sales agreement dated 8/18/09

Sellers

TW

SW

Purchaser

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DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS

Addendum to Purchase & Sale or Lease Agreement

The following is part of the Purchase and Sale/Lease Agreement dated Aug. 18, 2007, 200____ 1

between Lancaster of La Center, LLC ("Buyer" and/or "Lessee") 2

and Ridgefield School District ("Seller" and/or "Lessor") 3

concerning Approx 10 Acres on NW 31 Ave., As Attached as Ex. A-2 (the "Property") 4

Purchase & Sale Agreement Lead Warning Statement 5

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase. 6–13

Lease Agreement Lead Warning Statement 14

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and lead-based paint hazards in the dwelling. Tenants must also receive a Federally approved pamphlet on lead poisoning prevention. 15–19

Cancellation Rights 20

If a residential dwelling was built on the Property prior to 1978, Buyer may rescind the Agreement at any time up to 3 days after Buyer receives this Disclosure, ***unless Buyer receives this disclosure prior to entering the Agreement.*** 21–22

NOTE: In the event of pre-closing possession of more than 100 days by Buyer, the term Buyer also means Tenant. 23

Seller's/Lessor's Disclosure 24

(a) Presence of lead-based paint and/or lead-based paint hazards (check one below): 25

[ ] Known lead-based paint and/or lead-based paint hazards are present in the housing (explain). 26

[X] Seller/Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing. 27

(b) Records and reports available to the Seller/Lessor (check one below): 28

Seller/Lessor has provided the Buyer/Lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below). 29–30

_____ 31

_____ 32

[X] Seller/Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing. 33–34

Seller has reviewed the information above and certifies, to the best of Seller's knowledge, that the statements made and information provided by Seller are true and accurate. 35–36

Seller/Lessor President — Date: Aug 18, 2007 — Seller/Lessor Members — Date: Aug. 18, 2007 37

Initials: BUYER/LESSEE: _____ DATE: _____ SELLER/LESSOR: _____ DATE: aug 18 2009 38

BUYER/LESSEE: _____ DATE: _____ SELLER/LESSOR: _____ DATE: 8 18 09 39

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DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS

Addendum to Purchase & Sale or Lease Agreement
(Continued)

Buyer's/Lessee's Acknowledgment

(c) Buyer/Lessee has received copies of all information listed above.

(d) Buyer/Lessee has received the pamphlet "Protect Your Family from Lead in Your Home."

(e) Buyer has (check one below only if Purchase and Sale Agreement):

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

Accepted an opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards on the following terms and conditions:

This Agreement is conditioned upon a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards, to be performed by a risk assessor or inspector at the Buyer's expense. (Intact lead-based paint that is in good condition is not necessarily a hazard. See the EPA pamphlet "Protect Your Family From Lead in Your Home" for more information.)

This contingency SHALL CONCLUSIVELY BE DEEMED SATISFIED (WAIVED) unless Buyer gives written notice of disapproval of the risk assessment or inspection to the Seller within 10 (10 days if not filled in) after receiving this Disclosure. Buyer's notice must identify the specific existing deficiencies and corrections needed and must include a copy of the inspection and/or risk assessment report.

The Seller may, at the Seller's option, within 3 days (3 days if not filled in) after Seller's receipt of Buyer's disapproval notice, give written notice that Seller will correct the conditions identified by Buyer. If Seller agrees to correct the conditions identified by Buyer, then it shall be accomplished at Seller's expense prior to the closing date, and Seller shall provide Buyer with certification from a risk assessor or inspector demonstrating that the condition(s) has been remedied prior to the closing date. In lieu of correction, the parties may agree on any other remedy for the disapproved condition(s), including but not limited to cash payments from Seller to Buyer or adjustments in the purchase price. If such an agreement on non-repair remedies is secured in writing before the expiration of the time period set forth in this subparagraph, then this contingency will be deemed satisfied.

If the Seller does not give notice that the Seller will correct the conditions identified in Buyer's risk assessment or inspection, or if the parties cannot reach an agreement on alternative remedies, then Buyer may elect to give notice of termination of this Agreement within 3 days (3 days if not filled in) after expiration of the time limit in the preceding subparagraph or delivery of the Seller's notice pursuant to the preceding subparagraph, whichever first occurs. The earnest money shall then be returned to the Buyer and the parties shall have no further obligations to each other. Buyer's failure to give a written notice of termination means that the Buyer will be required to purchase the Property without the Seller having corrected the conditions identified in Buyer's risk assessment or inspection and without any alternative remedy for those conditions.

Buyer waives the right to receive an amended Real Property Transfer Disclosure Statement (NWMLS Form No. 17 or equivalent) pursuant to RCW 64.06 based on any conditions identified in inspection and/or risk assessment report(s).

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

Buyer/Lessee _____ Date _____ Buyer/Lessee _____ Date _____

Licensees' Acknowledgment

Licensees have informed the Seller/Lessor of the Seller's/Lessor's obligations under 42 U.S.C. 4852(d) and are aware of their responsibility to ensure compliance.

Selling Licensee _____ Date _____ Listing Agent _____ Date _____

Initials: BUYER/LESSEE: _____ DATE: _____ SELLER/LESSOR: DS DG DATE: 8/18/09

BUYER/LESSEE: _____ DATE: _____ SELLER/LESSOR: SW TMG DATE: 8/18/09

SELLER DISCLOSURE STATEMENT†
IMPROVED PROPERTY

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SELLER: Paradise of La Center, 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 SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT Approx 16 Acres located at NW 31 Ave, Attached as Ex. A-2, Subject to Survey, CITY La Center, COUNTY Clark, ("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 [illegible] AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT [illegible], 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.

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

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: [illegible] DATE: 8/18/09 SELLER'S INITIALS: [illegible] DATE: 8/18/09

SELLER DISCLOSURE STATEMENT
IMPROVED PROPERTY

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	YES	NO	DON'T KNOW	
2. WATER				57 58
A. Household Water				59
(1) The source of water for the property is: ❑ Private or publicly owned water system				60
❑ Private well serving only the subject property *☒ Other water system				61
*If shared, are there any written agreements?	❑	☒	❑	62
*(2) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source?	❑	☒	❑	63 64
*(3) Are there any problems or repairs needed?	❑	☒	❑	65
(4) During your ownership, has the source provided an adequate year-round supply of potable water?	☒	❑	❑	66 67
If no, please explain: _____				68
*(5) Are there any water treatment systems for the property?	❑	☒	❑	69
If yes, are they: ❑ Leased ❑ Owned				70
*(6) Are there any water rights for the property associated with its domestic water supply, such as a water right permit, certificate, or claim?	❑	❑	☒	71 72
(a) If yes, has the water right permit, certificate, or claim been assigned, transferred or changed?	❑	❑	❑	73 74
*(b) If yes, has all or any portion of the water right not been used for five or more successive years?	❑	❑	❑	75 76
*(7) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)?	❑	❑	☒	77
B. Irrigation Water				78
(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim?	❑	❑	☒	79 80
*(a) If yes, has all or any portion of the water right not been used for five or more successive years?	❑	❑	❑	81 82
*(b) If so, is the certificate available? (If yes, please attach a copy.)	❑	❑	❑	83
*(c) If so, has the water right permit, certificate, or claim been assigned, transferred, or changed?	❑	❑	❑	84 85
*(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:	❑	❑	☒	86 87
_____				88
C. Outdoor Sprinkler System				89
(1) Is there an outdoor sprinkler system for the property?	❑	☒	❑	90
*(2) If yes, are there any defects in the system?	❑	❑	❑	91
*(3) If yes, is the sprinkler system connected to irrigation water?	❑	❑	❑	92
3. SEWER/ON-SITE SEWAGE SYSTEM				93
A. The property is served by:				94
❑ Public sewer system ☒ On-site sewage system (including pipes, tanks, drainfields, and all other component parts)				95
❑ Other disposal system				96
Please describe: _____				97
B. If public sewer system service is available to the property, is the house connected to the sewer main?	❑	☒	❑	98 99
If no, please explain: Not available in area				100
*C. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service?	❑	☒	❑	101 102
D. If the property is connected to an on-site sewage system:				103
*(1) Was a permit issued for its construction, and was it approved by the local health department or district following its construction?	❑	❑	☒	104 105
(2) When was it last pumped? Aprox 1 yr ago.				106
*(3) Are there any defects in the operation of the on-site sewage system?	❑	❑	☒	107
(4) When was it last inspected? Aprox 1 yr ago			❑	108
By whom: Bob's Septic				109
(5) For how many bedrooms was the on-site sewage system approved? ____ bedrooms			☒	110

SELLER'S INITIALS: [illegible] DATE: 8/8/09 SELLER'S INITIALS: [illegible] DATE: 8/18/09 111

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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?	☐	☐	☒
If no, please explain: _____			
*F. Have there been any changes or repairs to the on-site sewage system?	☐	☒	☐
G. Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property?	☒	☐	☐
If no, please explain: _____			
*H Does the on-site sewage system require monitoring and maintenance services more frequently than once a year?	☐	☒	☐

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?	☐	☒	☐
*B. Has the basement flooded or leaked? N/A	☐	☐	☐
*C. Have there been any conversions, additions or remodeling?	☐	☒	☐
*(1) If yes, were all building permits obtained? N/A	☐	☐	☐
*(2) If yes, were all final inspections obtained? N/A	☐	☐	☒
D. Do you know the age of the house?	☐	☐	☒
If yes, year of original construction: _____			
*E. Has there been any settling, slippage, or sliding of the property or its improvements?	☐	☒	☐
*F. Are there any defects with the following: (If yes, please check applicable items and explain.)	☐	☒	☐

☐ Foundations	☐ Decks	☐ Exterior Walls
☐ Chimneys	☐ Interior Walls	☐ Fire Alarms
☐ Doors	☐ Windows	☐ Patio
☐ Ceilings	☐ Slab Floors	☐ Driveways
☐ Pools	☐ Hot Tub	☐ Sauna
☐ Sidewalks	☐ Outbuildings	☐ Fireplaces
☐ Garage Floors	☐ Walkways	☐ Wood Stoves
☐ Siding	☐ Other _____	

*G. Was a structural pest or "whole house" inspection done?	☐	☒	☐
If yes, when and by whom was the inspection completed?			
_____			
H. During your ownership, has the property had any wood destroying organism or pest infestation?	☐	☐	☒
I. Is the attic insulated?	☐	☐	☒
J. Is the basement insulated? N/A	☐	☐	☐

5. SYSTEMS AND FIXTURES

*A. If any of the following systems or fixtures are included with the transfer, are there any defects?			
If yes, please explain: _____			
Electrical system, including wiring, switches, outlets, and service	☐	☐	☒
Plumbing system, including pipes, faucets, fixtures, and toilets	☐	☐	☒
Hot water tank	☐	☒	☐
Garbage disposal N/A	☐	☐	☐
Appliances	☐	☒	☐
Sump pump N/A	☐	☐	☐
Heating and cooling systems	☐	☒	☐
Security system ☐ Owned ☐ Leased N/A	☐	☐	☐
Other: _____	☐	☐	☐

SELLER'S INITIALS: [illegible] DATE: 8/18/09 SELLER'S INITIALS: [illegible] DATE: 8/18/09

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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.) N/A				162 163
Security System	☐	☐	☐	164
Tanks (type):	☐	☐	☐	165
Satellite dish	☐	☐	☐	166
Other	☐	☐	☐	167
*C. Are any of the following kinds of wood burning appliances present at the property?				168
(1) Woodstove?	☐	☐	☐	169
(2) Fireplace insert?	☐	☐	☐	170
(3) Pellet stove? N/A	☐	☐	☐	171
(4) Fireplace?	☐	☐	☐	172
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?	☐	☐	☐	173 174

6. HOMEOWNERS' ASSOCIATION/COMMON INTERESTS 175

A. Is there a Homeowners' Association?	☐	☒	☐	176
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:				177 178 179
B. Are there regular periodic assessments?	☐	☒	☐	180
$ _____ per ☐ month ☐ year				181
☐ Other:				182
*C. Are there any pending special assessments?	☐	☐	☒	183
*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)?	☐	☒	☐	184 185 186

7. ENVIRONMENTAL 187

*A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?	☐	☒	☐	188 189
*B. Does any part of the property contain fill dirt, waste, or other fill material?	☐	☐	☒	190
*C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?	☐	☒	☐	191 192
D. Are there any shorelines, wetlands, floodplains, or critical areas on the property?	☐	☐	☒	193
*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?	☐	☐	☒	194 195 196
*F. Has the property been used for commercial or industrial purposes?	☐	☐	☒	197
*G. Is there any soil or groundwater contamination?	☐	☐	☒	198
*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?	☒	☐	☐	199 200
*I. Has the property been used as a legal or illegal dumping site?	☐	☐	☒	201
*J. Has the property been used as an illegal drug manufacturing site?	☐	☐	☒	202
*K. Are there any radio towers in the area that cause interference with cellular telephone reception?	☐	☐	☒	203

8. LEAD BASED PAINT (Applicable if the house was built before 1978.) 204

A. Presence of lead-based paint and/or lead-based paint hazards (check one below): 205

☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain). _____ 206 207

☒ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing. 208

B. Records and reports available to the Seller (check one below): 209

☐ 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). 210 211 212

_____

☒ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing. 213

9. MANUFACTURED AND MOBILE HOMES 214

If the property includes a manufactured or mobile home, N/A 215

*A. Did you make any alterations to the home?	☐	☐	☐	216
If yes, please describe the alterations _____				217
*B. Did any previous owner make any alterations to the home?	☐	☐	☐	218
*C. If alterations were made, were permits or variances for these alterations obtained?	☐	☐	☐	219

SELLER'S INITIALS: _____ DATE: _____ SELLER'S INITIALS: SW DATE: 8/18/09 220

SELLER DISCLOSURE STATEMENT
IMPROVED PROPERTY

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10. FULL DISCLOSURE BY SELLERS

	YES	NO	DON'T KNOW
A. Other conditions or defects: *Are there any other existing material defects affecting the property that a prospective buyer should know about?	☐	☐	☒

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: Aug 15 09 Date: Aug. 18, 2009

Seller: Seller: Sharon Grosley

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.

11. BUYER'S ACKNOWLEDGEMENT

Buyer hereby acknowledges that:

A. Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation.

B. The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party.

C. Buyer acknowledges that, pursuant to RCW 64.06.050 (2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information.

D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.

E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature(s).

F. If the house was built prior to 1978, Buyer acknowledges receipt of the pamphlet *Protect Your Family From Lead in Your Home.*

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

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

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).

_____

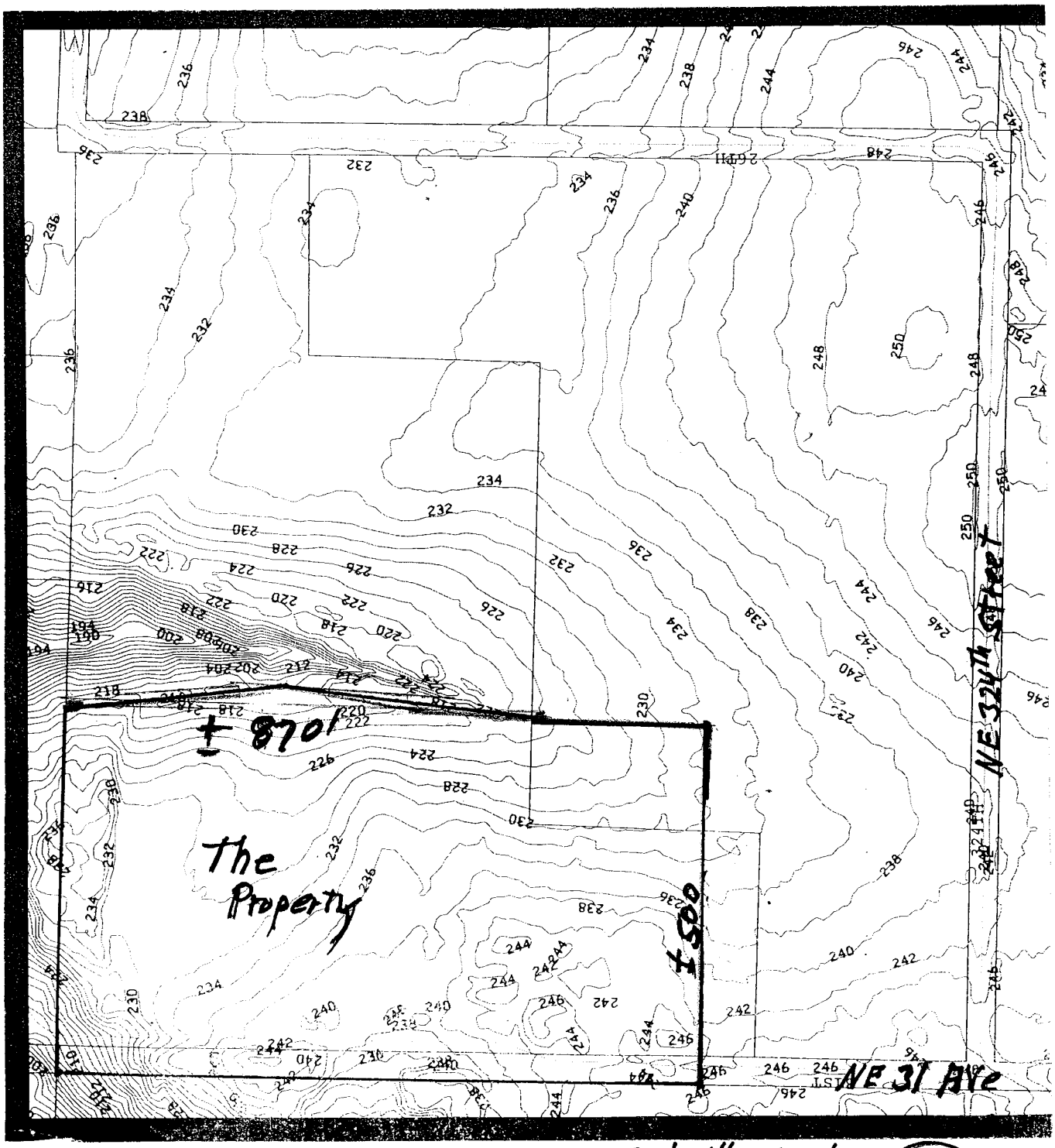
_____

_____

SELLER'S INITIALS: _____ DATE: _____ SELLER'S INITIALS: SW TAW DATE: 8/18/09

EXHIBIT A-2

SKETCH OF PREMISES



Scale 1" = 200'

VANDOCS:50125511.4